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UNDERSTANDING IS STRENGTH

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IT WOULD SEEM TO BE almost axiomatic that the United States of America is as strong as its economic system, and that it will continue to be strong as long as its citizens understand, appreciate, and improve that system.

Public understanding of the strengths and flaws in our economy is essential to its preservation and growth.

Certainly knowledge-getting and knowledge-applying at the economic level are key instruments in public affairs today. They are among the tools of the public relations profession. Yet, I think my readers will agree with me when I say that we as a people have barely begun to understand and apply economic knowledge to our national problems. Today, because of the extra strains placed upon our country in paying for past wars and present armament-for-security, it is especially important that we understand our own economy.

It is toward the development of this understanding that we in the Committee

for Economic Development (CED) are working. These key concepts underlie CED's aims and activities:

The responsibility of business leaders to place the general welfare ahead of special interests;

Personal investment, by heads of major business enterprises, of their own time and skill in objective analysis of the nation's economic problems, with businessmen and scholars pooling their knowledge and viewpoints in the development of sound business and public policies;

A program to increase understanding of the causes and cures of the economy's weaknesses.

Belief in Capitalistic System

It should be understood that we in CED believe sincerely in the workability, dynamic growth, and success of American private enterprise capitalism. We are positively, persistently, patiently at work in a constructive effort to improve and extend the capitalistic system.

We need the assistance of public relations leaders such as yourselves. We need the assistance of all our citizens in this important work of understanding the system.

Many of you know that CED was "launched in the dark days of '1942," using a phrase from Thomas B. McCabe, Chairman of the Board of Governors of the Federal Reserve System, and one of the founders of CED. Its purpose then was *immediate action* to avert large-scale unemployment after the war by



... need assistance of PR leaders

mobilizing the nation's businessmen for a rapid switchback to peacetime manufacture. Its *long-run purpose* was and is to conduct a continuing attack on the causes of depression and inflation through a program of objective, impersonal study of the problems which create them.

Stated more formally the CED's fundamental objectives are:

1. To develop, through objective research and discussion, findings and recommendations for business and public policy which will contribute to the preservation of our free society, and to the maintenance of high employment, increasing productivity and living stand-

EDITOR'S NOTE: Because the economic health of our nation is properly a major item of concern to public relations workers, and because the Committee for Economic Development is primarily devoted to research in this field, we asked Mr. Williams, CED's board chairman through May 19th of this year, to prepare this informative article for "Journal" readers. CED is not an "action" group; the public relations fraternity is. Therefore, a joining of forces may be of mutual service.

Mr. Williams continues to serve as a trustee of CED. He has been president of Continental, Inc., a large banking firm, since 1927. In 1946 he was voted Seattle's most useful citizen.

ards, greater economic stability and greater opportunity for all our people.

2. To bring about increasing public understanding of the importance of these objectives and the ways in which they can be achieved.

Policy

The efforts to achieve these objectives are spelled out in the *Statements on National Policy* which are issued by the CED research and policy committee (a committee of 28 businessmen which consults with a research advisory board composed of leading economists), and in its program of research studies, and in the rapid growth of its cooperative educational system.

The research and policy committee has operated the past few years under such distinguished leaders as Marion B. Folsom, treasurer and director of the Eastman Kodak Company; Philip D. Reed, chairman of the board of the General Electric Company; Raymond Rubicam, a founder of Young & Rubicam; and Ralph Flanders, now United States Senator from Vermont. The research advisory board is under the chairmanship of Sumner H. Slichter, Lamont Professor at Harvard University.

In describing the CED, my predecessor as chairman — Paul G. Hoffman, a founder and the organization's first chairman — once said, "I think it is very important that we as a group think of ourselves not as 'right,' 'left,' 'conservative' or 'radical,' but as *responsible*. What we are trying to do is to get at the facts about the way this economy functions, to face the facts and then go down the roads indicated."

Taken as a whole CED policy statements reflect an integrated and positive economic philosophy. They are our cutting blade for striking at the roots of ignorance about our economic system. They at the same time afford indicators of how to strengthen and extend the system.

One sometimes hears the remark that "businessmen have no program." I beg respectfully to disagree. Within the CED's integrated policy statements are to be found recommendations for strengthening and preserving our free economy — many of which have gone into practice quietly and without fanfare — which represent positive, corrective creative thinking on national policies. The CED has been working on this

program for greater economic stability for the past eight years.

All of us lived through the staggering depression of the 1930's. We have seen the paralysis which overtakes the economy in a depression. We have also lived through one of the worst inflations of our history in the past few years.

All through our history we have had feast-or-famine conditions. But our economy has been free. Except in wartime, individuals and businesses have been free to make their own economic decisions within broad limits of government — laws to keep us from stepping on each other's toes. No rule of government has told us how much we can sell or buy, whom we can buy from or sell to. We have not been told what price we must pay or charge for goods and services. We have been able to manufacture what we please.

This is the free economy. It is one of the foundations of our free society. Our moral and spiritual might has developed within this economic environment. These together with the free economy have made our country the richest in the history of the world. Our human and natural resources have, under the free economy, been used and developed so fully because each citizen has been able and free to develop his own abilities as he wished, and to receive a commensurate reward.

Yet the dark side to our economic environment has been the booms and busts which have occurred with discouraging frequency. Many persons have come to regard economic instability as the price we have to pay for a free economy.

Wide Swings Not Necessary

I deny that these wide swings are inherent in the free economy. With a program designed to promote greater stability in the free economy, we can avoid the widest swings and reduce the business cycle to more tolerable limits.

The great mass of our people have resolved that we *must avoid future depressions and inflations*. This resolve has taken many forms. We of CED have made greater economic stability within the free and growing economy our first order of business.

We must avoid the impairment of the free market; we must preserve the capitalist free enterprise system. We must avoid the destruction of individual incentive and ingenuity; we must continue

to have an economic environment in which inventiveness, initiative and hard work will be rewarded. We must avoid destroying the growth of productivity, without which rising living standards and economic growth are impossible.

CED wants stability without hurting the free economy, and it wants that stability at a high level of employment. It wants dynamic stability — stability in a growing economy with rising productivity and living standards.

Fields for Action

CED has come to the conclusion that there are three main fields for action in reaching this goal. These fields are monetary policy, fiscal policy, and debt management policy. That is the area in which the government will do its part.

All three are essential functions of the Federal government; government has to provide a monetary system; it has to tax the public in order to fulfill its obligations; and it is responsible for the national debt which it has contracted.

These three policies — monetary, fiscal, and debt management — influence the economic climate without specifying individual decisions and undertakings. They encourage or discourage financial expansion. But they do not prescribe the channels through which economic enterprise shall flow. Their impact on economic life is indirect and impersonal. There is no reliance here on direct controls, with their likely product of an economy hamstrung by government restrictions, and with their deadening effect on economic growth.

For most of us *fiscal policy* is the closest to home, for it is concerned with the Federal budget and taxes. The job of fiscal policy is to control the relationship between government expenditure and revenues. CED in 1947 presented a program for controlling taxes and the budget in a way which we think will have a stabilizing effect on the economy.

It is called the stabilizing budget policy. It was set up with four objectives in mind. First, the policy contributes to greater economic stability. Second, it promotes economy in government. Third, it provides for debt reduction. And fourth, it avoids frequent changes in tax rates, which are upsetting to business and individuals.

I will not go into detail on the stabilizing budget policy. But I will give you

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THE INDUSTRIAL EDITORS' JOB - - - IN THE U.S.A.

By JOHN A. JONES

Editorial Director, Weirton Steel Company, Weirton, West Virginia

"COAL WHICH BURNS with the scent of violets, pine or roses will soon be introduced in America. — (News Item) ... On this side of the Atlantic we look forward to the day when our household fuel will burn with the scent of coal."

This gentle dig at the austerity of the British Way of Life under Socialism appeared recently in *Gusto*, a factory magazine published in England.

Many people in public relations seem to think that industrial journalism is a communications media peculiar to the United States, but such is not the case. As early as 1938, there were over 350 magazines known to be published in Great Britain by firms for their "work-people."

There are two very active associations of Industrial Editors in England, and the British "works publications" look very much like those printed here. They come to life with good pictures, factory feature articles, social trivia and humor, but they seem to this observer to be strangely silent on a matter of vital importance to their readers — government.

In this respect there is a vast gulf between the English and the American version of the employee publication.

House magazines and newspapers in this country are proving themselves the most effective "recruiting sergeants" for Freedom's cause. The editorial stress is on interpreting the company, its problems and economics — and in helping the men and women on company pay-rolls to understand the basic principles

of free enterprise. Industry has found these "company papers" the most effective channel of two-way communications between management and employees.

Industrial editors in America are dedicating themselves to the task of trying to check the destructive drift toward Socialism that has alarmed all Americans who love individual liberty and want to keep this land the great land of opportunity.

The English editor seems to be involved in some kind of a "gentlemen's agreement" not to criticize the government or mention Socialism. A strange thing I have noticed is that so-called company publications issued by industries under government control are not trying to sell their readers on the "blessings of Socialism." But stranger still is the fact that company publications issued by business firms still free of nationalization are equally silent on the danger that threatens to engulf them. This editorial complacency and failure to speak up on national affairs is undoubtedly one real reason the English people find themselves in their present unhappy position.

If the U. S. ever goes down the road marked "something for nothing" and ends up a Welfare State it will not be because the industrial editors of America have failed in their job.

In the past year I have spoken to groups, conventions, short courses and clinics of industrial editors in Kansas City, Omaha, San Francisco, Oklahoma A. and M., West Virginia University, Temple University, University of Minnesota, Philadelphia and Baltimore. I doubt if there is any single group of Americans in any business or profession more actively engaged in trying to save our American heritage.

More than any other group these editors seem to realize that this job is a matter of individual responsibility. They are not running off in all directions at once and trying to engage the enemy on all fronts, they are simply telling and re-telling the story of the miracle of America in the plants, offices, mines, mills and communities in which they work and publish magazines and newspapers.



Knowledge comes before loyalty

If your next door neighbor wants to borrow your lawn mower, he simply yells across the back fence —

"Hey, Joe, can I borrow your lawn mower?"

That's the direct approach and it's typically American. That is the way industrial editors are telling the American story — *straight from the shoulder*.

The English editor is more indirect and so naturally not as effective. I have never found a single unfriendly reference to America or the American way of life in an English works publication. I have had no trouble in finding many complimentary things about "our way" which leads me to believe the British editor is intelligent enough to see the folly of Socialism and hopes by inference to let his readers know the facts of life.

The following concluding paragraph from a story in *Paxman's World* does a neat job of selling the fact that Democracy does exist in America.

"How to sum up my year in the United States? Americans like to think of Boston as their most English city, but with no rationing, bright advertising signs and streets crowded with large cars we didn't agree at first . . . Mention of rationing probably makes you think that food in America is unlimited in

EDITOR'S NOTE: Editorial Director at Weirton Steel Company, JOHN A. JONES is a former newspaperman who directs the publication of the "Weirton Steel Employees Bulletin," in addition to handling the company's publicity and its public relations advertising program.

The "Bulletin" has been among the winners for five consecutive years (1945-1949) in both the ICIE annual publication competition and the contests conducted by the National Safety Council. In 1949 it won the Freedoms Foundation Gold Medal Award and the \$750 cash prize for "outstanding achievements in bringing about a better understanding of the American Way of Life."

Mr. Jones has worked on Pittsburgh, Chicago, and Philadelphia newspapers in editorial capacities. He was educated at Ohio State University.

choice and quantity. The well-stocked supermarkets (Have you been to the Colchester Co-Op lately?) do give the impression of a housewife's heaven, but we did miss a nice kipper or some custard to go with our canned fruit . . . For the last six months of our stay we owned a car — a Ford V-8 of 1935 vintage, which proved a source of unending pleasure. It was a change to say 'fill her up' to an attendant and know that it meant a tank full of white petrol without coupons and at the standard price . . . The inhabitants (of America) are convinced that in spite of its size and the mixed origins of its people the American way of life is the world's nearest approach to a true Democracy. To prove it, they adopt a universal form of greeting which is used to your boss or to your girl friend. To all who read this an American would say 'Hi!'."

Many other equally complimentary quotes could be cited here if space permitted.

The English editor has another device for getting over the fact that all is not well in their Fabian Socialistic paradise, and that is sarcasm. Some of the fictitious forms they print are screamingly funny. They point up the fact that Socialistic bureaucracy can exist only on a steady diet of regulations, forms and more forms. One magazine recently printed a two-page "*Application for Permit to Consume One Statutory Pint of Beer on Licensed Premises.*" They have great fun burlesquing Socialized medicine applications for pills, surgery, maternity care, and even burial. It seems you can't be laid to rest without first filling out the proper forms.

American Editors Hit Harder

American industrial editors are convinced they have got to hit harder than their English "cousins" have ever done and that is exactly what they are doing.

Temple University conducted a clinic on "The American Way of Life" for industrial editors, April 24 through 27, under the guidance of Dr. Robert L. Johnson, the dynamic president of Temple. It was attended by 135 editors representing a cross-section of American industry and business. The clinic was designed to articulate the American way of life which has resulted in the highest

standard of living in the world with greater pay for the wage-earner and better products at lower cost to the consumer. The editors came away from the clinic better equipped to "localize" the telling of the story of American freedom. They know that America is in a tight spot and they propose to do something about it.

Role of Industrial Press

Pointing to the role industrial editors can play in these critical times, President Johnson said:

"One may readily see the grave responsibility resting upon the shoulders of the editors of such company publications, for they wield an influence which cannot be underestimated. One of the cornerstones of American freedom has always been a press seeking to spread fact and squash rumors and misinformation. The industrial press is a part of that picture. It is all the more vital because it reaches into the daily life of its readers, touching upon events which are right at home, and speaking about people with whom readers are in daily contact."

The editors heard at first hand the appalling activity of Reds in the labor movement. This story was told by Paul P. Milling, president of the John Wanamaker Chapter, R.C.I.A. (AFL) of New York City. Milling is a courageous American and a high type of union leader. When accused in Washington of being a "red baiter" he denied it in these words, "No, I am not a red baiter, I am a RED HATER."

Another amazing story of how Washington bureaucrats are already threatening our individual liberty was told by A. Robinson McIlvain, war veteran, and publisher of the weekly *Downingtown* (Pa.) *Archive*, author of the recent *Saturday Evening Post* article "The Federal Snoops Are After Me." (SEP-March 7, 1950).

There were other first hand reports on the "state of the nation" by such men as Kenneth Wells, of Freedoms Foundation; Howard M. Le Sourd, Dean of Boston University School of Public Relations; K. C. Pratt, Editor of *STET*, and other men prominent in business, industry, education and public relations.

Top management is giving its support to industrial editors, a fact that was dramatically highlighted recently in Syracuse, New York. Robert D. Breth, con-

sultant of the American Association of Industrial Editors, tells about this event in the April issue of *Quotes Ending*, an AAIE information letter to management on employer-employee publications. Breth says:

"When 42 presidents of industry, 5 presidents of banks, 4 heads of department stores, 6 college deans and 140 top industrial editors got together at a convention dinner it was not primarily for the roast beef entree. The meat involved could only be digested in the mind. This dinner represented a milestone in the history of industrial editing as it brought two large groups of top management and industrial editors together in a shoulder-rubbing session. It was the windup banquet of the very successful 1950 convention of the American Association of Industrial Editors. To the distinguished list of industrial great the dinner added the names of at least 200 other business, professional and civic leaders from the Upper New York State area."

Breth goes on to point out that the significance here lies in the fact that it was progressive management's way of giving the green light to employee publications as the chosen communications medium to explain and humanize industry's policies and problems to employees. What better way to sell free enterprise?

Line of Defense

Industry's 6,000 soundly edited employee publications constitute our country's first line of defense against the foreign ideologies of looney liberals, ranting reds and sinister socialists.

Over 70% of American business organizations now publish "house organs."

For too many years we have been hearing what is wrong with America. It's an encouraging sign that industrial editors have taken the initiative in telling their readers what is right with America. They are telling Freedom's story where it will do the most good — in the shop, in the mill, in the office and along Main Street.

The circulation of these employee publications is estimated at almost 60 million copies a month. This is greater than the circulation of *Time*, *Life*, *Look*, *Colliers*, *Saturday Evening Post* and *Readers Digest*.

They are effective because they talk to people in terms of people known to the

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THE USE OF LOCAL HISTORY IN INSTITUTIONAL ADVERTISING

By W. W. ROBINSON

Vice President, Title Insurance and Trust Company, Los Angeles, California

ONE AFTERNOON about three years ago a pair of strong young men pushed two wheelbarrows down Spring Street in Los Angeles. The wheelbarrows were piled high with letters. The wheelbarrow pushers were headed for 433 South Spring Street, which is the address of the company I am connected with — Title Insurance and Trust Company. The young men were from our advertising agency. They wanted to show us in a dramatic way that 7300 requests had come in to CBS for the booklet we offered during three consecutive programs on our institutional "Romance of the Ranchos" radio show.

"Romance of the Ranchos" ran for about five years. It was a half-hour, entertainment, goodwill program which came over the air every Sunday evening, was addressed to the general public in the area in which we do business, and was listened to by over 300,000 people weekly in southern California. The stories were fictional but based on early California history — essentially on local history.

Excursions Into Local History

Special stories were written for special occasions, as the anniversary of the founding of the pueblo of Los Angeles or for Christmas week. The commercials themselves were little excursions into local history — on a theme appropriate to the particular story of the evening — and closed with emphasis on the completeness of the company's classified land records, the accuracy of the company's findings, the age and experience of the company, and the protection offered to the land-buying public.

"Romance of the Ranchos," as you

see, was primarily an institutional program — advertising the institution of Title Insurance and Trust Company rather than its specific product. As an institutional radio program it received the City College of New York's "award of merit." And certainly more people today know about our company and have a better feeling towards it than they could possibly have had without this program. As a matter of fact transcriptions of the stories still circulate among the Los Angeles County schools for classrooms to enjoy the dramas and the melodies of early California.

Told Company's Story

Now I want to go back to this booklet, referred to in the wheelbarrow letters, the booklet for copies of which 7300 people wrote letters to CBS after three radio offerings. Its title was *The Forest and The People*. It told the story of the Angeles National Forest, Los Angeles County's backyard, and was a contribution to local history. The booklet was a product of the company itself, the research done with the cooperation of the forest service. It was published by the company with a foreword by the president. There was not a line of advertising in it but it did a job of institutional advertising. The response has been most satisfying, not only from the members of the upper-bracket, super-doober list to whom it was sent but also from the forest service, the foothill towns, the Boy Scouts, the Girl Scouts, and all the organizations, including parent-teachers associations, libraries, and individuals interested in the mountain areas. All these people showed a tremendous enthusiasm for this booklet and showered us with another wheelbarrow-full of letters. Newspapers gave it much publicity. The book is tied in with our own business, since our business — title insurance, land ownership insurance — is concerned primarily with local history.

The records of Title Insurance and Trust Company now cover a hundred-year span and contain the complete his-



... can do an effective job

tory of real estate transactions in this area since Mexican rancho days — arranged for easy access. There are two million parcels of land in Los Angeles County and we have a classified history of every recorded transaction involving each one of them. It is logical for us to capitalize on local history, particularly when we can build up the framework of our stories from our own land books, our own office records.

Calendar of Events

For that reason for years we have issued booklets on the ranchos and on the individual cities of Los Angeles County. The subtitle of some of them is "A Calendar of Events in the Making of a City." We began publishing them long before *The Forest and The People* was issued. They go back into the rancho period, back into the Mexican and Spanish eras, back to the King of Spain himself. They show the transformation from ranchos into cities and bring the story down to the date of publication. These books were created in our own company. The chain of title from our own old books formed the skeleton of the story

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EDITOR'S NOTE: Vice president of Title Insurance and Trust Company, Los Angeles, Mr. W. W. ROBINSON is in charge of the company's advertising and publications. He is author of several books on California and a series of booklets on the origins of towns in Los Angeles County. In collaboration with his wife, a painter and illustrator, he has written a number of animal books for children.

"New Strength For America - - Education"

By ROBERT ARCHER SMITH

Consultant in Public Relations, Seattle, Washington

UNDER THE SLOGAN-BANNER, "New Strength For America," our nation's leading industrialists recently met in New York City. Strictly practical were the three thousand high-salaried executives who for three days jammed the auditorium. So were the speakers. Not a single "prominent educator" stood on the rostrum. Yet when the key speeches were sifted down, one source of strength for the future stood out. One basic solution to America's problems—Education.

Here is the evidence in some of the arresting statements made before the 54th Annual Congress of American Industry. Lee H. Bristol, president of Bristol-Myers Company, issued this unequivocal challenge: "The only answer is for all of us to educate ourselves to the responsibilities as well as the benefits of freedom."

Intellectual Power Stressed

"Intellectual power," not machines was stressed by Wallace F. Bennett as the kind of strength we must depend upon to guarantee America's future. Bennett, retiring president of the National Association of Manufacturers, said that our strength depends upon maintaining our productive capacity in terms of men, not machines.

"If we measure intellectual resources directly against the problems of production we have an excellent foundation on which to build hope of new strength for the future," he said.

The importance of buying power, the other half of the economic picture, was emphasized by economist, Dr. Harold G. Moulton, president of Brookings Insti-

tute. "Our future prosperity," said Moulton, "seems to depend very definitely upon our capacity to create additional buying power in the hands of the masses of consumers."

Education's Role

The significance for education of this statement becomes apparent when we are confronted with facts and figures showing that buying power rises in direct proportion to educational power. The Chamber of Commerce of the United States has compiled such statistics. So has the U. S. Bureau of Census.

Referring to the above sources, several arresting conclusions were presented in the literature of the Advertising Council's "better education" campaign:

"A country's economic prosperity — its wealth and its buying power — rises along with its level of education."

"Climate, land, mineral deposits, and natural power — basic factors in a nation's wealth — can be wasted if its standards of education are low."

"The United States of America is the richest and most powerful of all nations — potentially the leader of the world. But we cannot maintain that enviable position long if we let our educational opportunities and our standards of education slip."

Research Demanded

Moulton indicated that there is still much to be gained in America by further emphasis on technological advancement. In the first of five recommendations for securing future prosperity, he urged "constant expansion of scientific and engineering experimentation."

In such an undertaking the educational system is universally recognized by business and industry as the essential implement. Each year private concerns contribute millions of dollars to public and private schools and colleges to encourage and support research.

It remained to John L. McCaffrey, president of the International Harvester Company, to turn the attention of the gathering to the salient role of educa-



... education the essential implement

tion in unraveling the knottiest dilemma facing industry today — labor strife. He contended that the essential problem is one of better relationships between human beings and could only be solved by "persuading the minds and arousing the conscience of men" to accept their rightful responsibility. According to McCaffrey, attempts to settle the issues through recourse to "pat formulas," fact-finding boards, and mediation and conciliation services bring only temporary and superficial results. They fail to give proper consideration to human values and underlying economic problems.

Need for Teamwork

Another speaker, Dr. Adam S. Ben-nion, vice president of the Utah Power and Light Company, likewise indicated his lack of faith in governmental panaceas and other cursory remedies. He made it clear that preserving our American Way of Life is fundamentally an educational task.

"What we need is teamwork among institutions," he said. "We need to launch in each community an honest to goodness grass roots program covering the principles which underly our economic structure."

EDITORIAL NOTE: With headquarters in Seattle, ROBERT ARCHER SMITH specializes in meeting the public relations needs of the schools of the Pacific Northwest. Formerly a high school teacher, he has traveled throughout the nation gaining first-hand knowledge of the problems of business and education, and of how they are related. Mr. Smith, a member of the School Public Relations Association, has a Master's Degree in Education, and has studied at the Boston University School of Public Relations.

Heartening news to educators? Yes. The 54th Annual Congress of Industry revealed that among industrial leaders and top-ranking businessmen *there is a clear realization that education is the foundation upon which America can build a strong future.*

Paradoxical, however, and sobering indeed, is another fact that was glaringly evident at the conclave. This powerful policy-making group of industrialists apparently has considerable lack of faith in our present system of public education as the agency through which the American Way of Life may be strengthened.

PAVING THE WAY

"Social security and public assistance programs are a basic essential for attainment of a socialized state."

—Federal Social Security Board Public Assistance Report No. 8

Rather, they spoke in terms of their own educational efforts. Said Clarence B. Goshorn, president of Benton and Bowles, the firm responsible for implementing the current and previous Advertising Council campaign for public school support: "It is up to *industry* to be firm, explicit and down to earth in defining and explaining capitalism and free enterprise."

Dr. Bennion, of Utah Power and Light, urged that *industry* equip employees with the necessary facts so that they can discover the fallacies in the promises of the socialized state, and, "further to stir them to want to do something to perpetuate our American Way of Life."

Industry's role in getting the "facts" about the American system to employees and the general public was likewise stressed by Lee Bristol. "Communications," he said, "is a two-way street, and we've got to see that we are effective from our end of it."

Puzzling Picture

Here, then, has been outlined the puzzling picture presented at the 54th Annual Congress of Industry. Industrial management is seeking strength and security for America. It recognizes education as the means for achieving this aim. Yet it has failed to take such decisive action as would positively assure the strengthening of our public educational system.

Oddly enough the men who manage America's factories are allowing our educational plants to grind along with outmoded machines, inadequate facilities, and worn out tools.

Management Unsatisfied

The strangest part of all is that management is not satisfied that the schools are doing a "good enough job." The plain fact, confirmed by numerous reports, statements and surveys, is that management is displeased with the preparation of as many as eighty per cent of its employee recruits.

What a production record that is! Imagine what would happen if the board of directors of General Motors, General Electric or U. S. Steel learned that their plants were operating at twenty per cent efficiency. That customers were complaining about three-quarters of the merchandise being manufactured.

Something would be done. Plenty would be done! But quick!

Why? Because they couldn't stay in business with a production record like that, of course.

Well, that's the record of the factories that are turning out American citizens today. No wonder businessmen are apprehensive over the future security of the American Way of Life.

The managers of business and industry have been mighty particular about our factories. Our technology is not only good. It's the best. But they have not kept the schools in well-oiled, precision production.

They are so full of the spirit of free competition that they have overlooked an ominous fact: They have left the schools to shift for themselves. They're for education and good schools. But education must make its own way.

Business Suffers

There's one big catch to "free enterprise" for public education, however.

When the schools can't buck the competition business and industry suffer. The whole nation suffers!

Graduates aren't just kids with diplomas. They are America's productive capacity: Workers at the presses. Executives at their desks. Employees jostling at the pay windows. Strikers walking in picket lines. They are the buying power that keeps industry's heart pulsating.

Graduates are our American system of government. They are the candidates on the ballots. The politicians, corrupt or clean, who vie for votes. The voters who cast their ballots — or stay at home. They are the solons who draft our laws.

The young men and women who come out of our schools are America! Its mental hospitals and prisons are overflowing with them. They pass through its divorce courts in a never-ending stream. They linger in its pension lines. They fill its highways with automobiles — and litter them with corpses.

"Let us remember," says James B. Conant, president of Harvard University, "that our vast system of public schools is both the embodiment of the unique features of our idealism and the vehicle for the transmission of our idea of a free democracy to subsequent generations."

How are American schools measuring up to this vital responsibility? The products of the extra-lean post-war years in the schools are reaching our colleges now. Dr. Ernest C. Colwell, president of the University of Chicago, after taking a

DO YOU NEED HELP?

Use the classified advertising columns of **The Journal** to find the person best qualified to fit your program requirements.

good look at them recently, called our public schools a "flat failure."

Four years ago the people of the U.S.A. were informed that the schools were in critical condition. Since that time there has been a continuous barrage of pleas for adequate support for

education. The response has been utterly inadequate. We still have not awakened to the realization that, as one business executive puts it, "today's world is a race between education and catastrophe."

If the way of life we cherish in America is to survive, it is paramount that the managers of business and industry assume the leadership in putting the schools into full and effective production.

Several weeks ago, Wallace F. Bennett, who is now chairman of the board of NAM, made these remarks in an address before the Association of American Colleges: "We in industry have the responsibility . . . for operating business and industry so that it makes enough profit to do two things: to reinvest in industry itself so that the productive capacity can increase as fast or faster than the needs of the people, and it must also make enough of a profit so that there will be more to invest in education . . . We in industry must supply education with the financial resources on which it operates."

Industry Doomed

What is of more significance is that unless we provide education with adequate support, both financial and moral, private industry in America is doomed! It is not a case of waiting until we seem to have enough money to spare for a luxury. Education provides industry with productive power and buying power — the basic resources on which it operates.

Here are four basic steps business and industry can take that will mean new strength for America:

1. *Full Communication.* Assume the responsibility for keeping the schools and management in constant, intimate touch with each other. As Lee Bristol pointed out, communications is a two-way street. But managers of business and industry must do more than be effective from their end of it. Throughout the nation legal and financial restrictions prevent the schools from keeping their end humming.

It is vital to the future of our nation that the schools be in constant communication with the citizens of America. Are your schools maintaining this important function? Are they able to?

2. *A Common Goal.* Get together with school leaders, nationally and lo-

cally, and agree that you have a *common goal* — new strength for America. Co-operation isn't a sort of reciprocal backscratching. It is acting for the common good. Mutual faith is the first requisite of good teamwork. It can only be established when all parties involved are satisfied that there is unanimity of purpose.

At present, neither industrialists nor educators trust the other's motives. Organized business and industry has a long-standing reputation with school people for being apathetic or even hostile toward efforts to increase financial support of the nation's schools. This attitude is being currently manifest in opposition to federal aid to education. Nor has organized business and industry

GOVERNMENT

"The only thing a government can give the people is what it **TAKES** from the people.

"The government does not produce anything. It merely spends what the people produce.

"The government is a consumer of wealth; not a producer as some would have us believe."

—W. G. Vollmer
President, Texas and Pacific
Railway Company

come out with an alternate plan for establishing adequate educational standards throughout the nation. So educational forces, like a long-rejected child, express their resentment by suspecting management of ulterior motives.

3. *A Friendly Hand.* Get acquainted with the schools and the educators responsible for them. The public relations task of humanizing big business and its management has already been undertaken in earnest by many concerns. In recasting the old "business tycoon" stereotype, however, industrial leaders need to get right out and show educators that they are "real folks" genuinely interested in the welfare of the schools. This sort of friendly community effort has been repeatedly emphasized by economist,

Sumner H. Schlichter, (*Fortune*, Sept. 1949) as the key to winning public confidence in the free enterprise system.

Another aim of this getting acquainted involves becoming familiar with what the schools are doing and trying to do today. The results should be an increasing confidence on the part of management that what is being done in the schools is benefiting American business and industry. There is no other way to be sure that our educational system builds a strong America.

4. *Renewed Faith.* Lastly, you men who bear the responsibilities in America's economy need renewed faith in freedom, in the American people, and in the way of life that has made America strong. You can't sell free enterprise to the public like television — or a juicier social security program. It has to be lived. The existence of free enterprise in this or in any other nation does not rest upon the amount of propaganda that flows out in its behalf. *It depends upon the ability of a freely and adequately educated population to see its worth and to make it work.*

Education Not Emergency Measure

At the close of the Congress of Industry, General Carlos P. Romulo, president of the General Assembly of the United Nations, called attention to the difference between propaganda and education in providing for the real security of the United States.

"We must have confidence in our government," he said. "We must know that things have been conducted properly in the past . . . if they were not conducted properly, we must know why they weren't and who was responsible, not for the sake of raking up ghosts of the past but so that when the future comes, or in the present, the people now in power will not make the same mistakes that were made in the past . . ."

Education is not an emergency measure. It is not propaganda. It is not indoctrination. It does not hand down solutions. It equips men to produce solutions. It gives men new faith in themselves.

If we are to develop new strength for America, an American solution to our nation's problems must be found. This end can be realized only through Education — New Strength for America.

"The human equation is always at work whether we know it or not and enters into business decisions more times than we might believe."

A HAPPY MARRIAGE

By THOMAS J. DEEGAN, JR.

Vice President, The Chesapeake and Ohio Railway Company, New York, N. Y.

MUCH HAS BEEN PRINTED in recent years by the various trade publications of the public relations field about the expanding position of this important function and considerable emphasis has been placed upon the fact that public relations is more and more moving up into the policy level of corporate life.

How Far Up?

But while this may be true, there is some question as to just how far up the line in corporate life public relations actually is moving; just how much real acceptance it has in the minds of chief executive officers, of board members, of stockholders; precisely how influential is the public relations recommendation even in the growing list of companies who ostensibly are placing the function at the policy level.

It is to this question that we address ourselves: *Just how good is the relationship between corporate top management and the public relations function; and what are we doing about it?*

Perhaps this anecdote is not typical (though I am afraid it is!) but some idea of the lack in management's public relations concept may be gleaned from a recent experience in one of the nation's leading airlines. The management considered itself "enlightened." Public Relations was a policy-level vice-presidential post (it said so on the organization chart) and the Chief Executive Officer is regarded by other business leaders as one of the most astute among them.

EDITOR'S NOTE: The author of this article, THOMAS J. DEEGAN, Jr., is vice president, Chesapeake & Ohio Railway Company, responsible for passenger traffic, advertising and public relations. He is also president, Federation for Railway Progress, and a vice president and member of the executive committee, White Sulphur Springs Company. Mr. Deegan is an alumnus of Fordham University. His activity in public relations extends to various interests.

A serious policy matter was before the company's board. Public Relations was called in. (Law, Accounting, and Operations had been in from the start of the meeting, of course). The problem, not an unfamiliar one to Public Relations, was outlined. Public Relations made a considered recommendation. There was a little twisting in chairs and forced coughing such as we hear in church on Sunday morning when the sermon is getting too long. Finally the Chief Executive Officer cleared his throat and said, "Well fine. Get up a release on it."

Then, as if to show his associates that he really knew public relations, he added gratuitously, "You know when I was at Harvard I studied public relations and they always said the most important thing was to write a zippy first paragraph."

Where, then, is the meeting ground between a sound, productive, effective public relations function in top management and a "zippy first paragraph?"

Confidence Necessary

No public relations adviser, no matter what his title may be or where he is placed on the organization chart, can be truly effective in his relations with top management unless top management is completely and absolutely sold on him. The chief executive officer must believe implicitly in his honesty, his judgment, his ingenuity. He must respect his experience and his relationships in the field of communications and public opinion. The confidence must be that of expectant mother for her obstetrician. Nothing less will produce a top-notch set-up.

Despite the forward strides which have been made by public relations in the last several years the cold fact must be faced that the majority of top corporate leaders still view it with a fishy eye, probably for many reasons, some



Executives crave action.

justified, some not. One such reason might well be that all human beings become insecure and hence aloof in surroundings which are not familiar to them; Johnny Meyers, John Maragon, Colonel Hunt and the heterogeneous group of others parading under the banner of "public relations" might very well be another reason.

In a recent lead article in *Fortune* magazine, a publication dedicated to the interests of important business leaders, the rise and fall of one such corporate leviathan was reported with penetrating accuracy and embarrassing documentation. The fall guy was Public Relations.

Just how deadly a blow this struck to our craft cannot be stated yet with any degree of certainty. That its effect was devastating we can be sure. Ironically enough, the black eye resulted from the actions of someone within our own ranks, not from "unimaginative lawyers" or "reactionary businessmen." It placed in jeopardy the growing, however slow-

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"The Quaker Show" — A Case History

By BAYNE FREELAND and MARY OSBORNE

Public Relations Department, The Quaker Oats Company, Chicago, Illinois

MOST PEOPLE would rather watch a show than study statistics, and American business can't appeal to a mass audience with a story told in terms of bone-dry graphs, charts, and columns of figures. With that in mind, the Quaker Oats Company is spicing open houses in its plant communities with down-to-earth showmanship, in the form of a traveling "industrial county fair" called The Quaker Show. This innovation blends promotion, action, color, sound, theatrical lighting and simply-told business facts into a crowd-pulling attraction. It has proved a first-rate means of reaching plant community publics.

Emphasis on Education

The Quaker Show has been especially successful in reaching school groups, and mass attendance of teachers and students is a major goal of advance promotion. The modified carnival atmosphere is kept in check, so that the true purpose of the show — telling the story of The Quaker Oats Company and of American business in general — is not obscured. But the emphasis is on educational entertainment, an accent which not only brings the crowds, but holds them while they absorb an economic story.

To illustrate the entertainment touch: Most of the Quaker Shows thus far have featured an appearance by Rin Tin Tin III, scion of the beloved "Rinty" of silent movie fame and a screen star in his own right. (Tie-in: The Quaker Oats Company manufactures Ken-L-Ration and other dog food products.)

This county fair spirit isn't regarded as sugar coating. Says Quaker Oats' Public Relations Manager Don Cowell: "It is an effort to tell a truly interesting story in the interesting manner in which it deserves to be told." Philosophy: The free enterprise system is a structure of human beings, not of statistics. And free enterprise is most understandable to the man on the street when he actually sees the wheels turning and the people who make them turn.

First appearance of the Quaker Show was at Sherman, Texas, in the fall of 1948. Since that time, it has played in six of the company's 13 U. S. plant com-

munities, to a total of 63,000 persons. Few of the cities where the show has appeared thus far are large. Significant, also, is the fact that the show is open for only a single day at each stand. At Sherman, a city of about 22,000, the show drew 10,000. In Tecumseh, Michigan, with a total population of 4,000, more than 5,300 passed through the plant in a nine-hour period.

In each of its appearances, the show is fitted into a tour of all or part of the plant (depending on its size and on ease of crowd movement), so that visitors get a first-hand view of the wheels going around. Plant production is maintained throughout the show, and generally *increases* on show days despite problems such as that of moving materials through crowded aisles to service the various packaging and production lines. This confirms the experience of other companies which have found that employees are stimulated by the opportunity of "doing their stuff" in front of the public.

Exhibits

The Quaker Show was put together for an original construction cost of \$20,000. Exhibits were planned by various company departments, with the public relations department as coordinator. All construction work took place at Quaker's central shop in Oregon, Illinois, and the dozen departmental exhibits (which extend to more than 300 running feet) were designed to fold and interlock into a compact unit which travels in two railroad box cars. In planning exhibits, the company aimed for an overall display which could serve (for example) its largest cereal mill in Cedar Rapids, Iowa, as well as a dog food plant in Rockford, Illinois, a feed mill in Los Angeles, or a spaghetti plant in Michigan.

Physical layout of the show varies with space available at each plant. Generally, however, visitors enter through over-size doors above which a brightly lighted marquee has been installed. A 50-foot street banner points out the entrance to motorists and pedestrians, bringing a number of casual passers-by into the plant. At times, queues up to

two blocks long have formed outside the entrance. Alternate routes for the tour are laid out in advance, and when the crush becomes heavy, the waiting crowd is split into groups and hustled into the plant through other entrances. The industrial show is continuous throughout the day. Crowd flow, too, has been continuous, although considerably heavier in the after-supper hours than at other periods during the day. Comparative lulls have been noted only during the late afternoon hours.

Once inside, visitors file past the prepared exhibits — which usually include locally constructed displays in addition to the traveling show. Example: The Akron plant added a display contrasting today's modern rolled oats packaging methods with those of a half-century ago. (Retired employees with more than 50 years' service manned the exhibit.) And because Akron houses Quaker's mechanical research department, the show there also was able to feature an operating display of model corn mills and other experimental processing machinery in miniature. At Rockford, special emphasis was given to offshoots of dog food processing — such as the development of a pharmaceutical laboratory which extracts substances of medical importance from the glands of horses.

Reception Committee

Other local touches keep the traveling show in the "home town" category. Large photos of top plant executives are displayed conspicuously inside the entrance, and the executives themselves are on hand throughout the day to greet visitors and speak a word with members of employees' families. Each wears a large colored lapel badge which reads, "Welcome to The Quaker Show." Visitors are met just as they enter the plant by smiling, attractively gowned receptionists chosen from among the women employees in the plant and office.

The reception committee hands each visitor a simple little booklet, pocket-sized and inexpensively printed. The booklet, with a completely local slant, is titled, for example, "You and Quaker in Sherman." It summarizes the history of

"THE QUAKER SHOW" — Continued

the Sherman plant, telling something of its products and operating methods. The philosophy suggested by the title is expanded in the copy, which begins:

"The Quaker Oats Company is just as proud as you are to be a citizen of North Texas. We like it here in friendly Sherman. And we're not just staying here. We're growing here. We are glad of your interest in our plant . . . our progress . . . our people. This little booklet tells something about our Texas story, and you'll see that much of it is your story, too."

The booklets later do double duty. Any surplus is retained at the plant for distribution to plant visitors during the months to come, and to answer frequent mail requests for information about the plant. Supplementing these briefed-down (8 pages) booklets are a number of other company publications — Mary Alden recipe booklets, grain and feed information, dog care and training pamphlets, nutritional fact folders. All are aimed at highlighting the company's public services — an area of activity which also is emphasized in prominent photo murals, in the exhibit booths themselves, and in news releases preceding the show.

Displays Cover Wide Range

The traveling displays range in subject matter from chemistry to cooking. And although the accent is on service, the company's products are an integral part of the story. One booth, manned by chemical sales experts, tells about Quaker's versatile corn cob chemical, furfural, and its derivatives. Another, which explains the firm's grain development program, is backed by a large sign noting that "Quaker paid the American farmer \$83,000,000 last year, mostly for grain." The company's grain development director and his assistants remain on duty here throughout the show, talking with farmers, pointing out the company's stake in the welfare of agriculture, and explaining Quaker's contributions to agricultural research and crop improvement programs.

Research in human and animal nutrition, milling developments, employee relations, foreign plants, safety measures and a dozen other topics get a fair share of display attention. In a gleaming model kitchen complete with picture window and push-button electric stove, continuous baking demonstrations are conducted by Mary Alden, Quaker's home



R. Douglas Stuart, vice-chairman of The Quaker Oats Company's board of directors, offers oatmeal cookies to Quaker Show visitors in Akron. Mary Alden's model kitchen is one of a dozen colorful exhibits in the "industrial county fair" which travels to Quaker plant communities. Top management plays an active role in the shows. Pictured at the microphone is Quaker Vice-President E. D. Andrews.

economics director. Oatmeal cookies fresh from her oven are snapped up by visitors. In another booth, Aunt Jemima, "World's Leading Pancake Artist," flips pancakes made from the mix that bears her name. The pancakes are not served to visitors, but are used to illustrate the method by which quality control is maintained in preparation of the ready-mix. Aunt Jemima and an assistant apply a chemical test to each pancake, duplicating a procedure which is carried on continuously in the plants where Aunt Jemima pancake and buckwheat ready-mixes are made.

Many of the exhibit booths are well stocked with domestic animals — chicks, (in the feed department's booth), guinea pigs (nutritional research), pups (Ken-L-Rations) which are given away as attendance prizes. Commonplace though these animals are, the "domestic zoo" commands attention from children and adults alike, holding groups at each exhibit long enough that attendants can reinforce the visual material with brief talks.

While it does a job for the company, the Quaker Show also fills a need in the community for public information about industry. In an editorial typical of those which have been written about the show, the St. Joseph, Mo., *News Press* de-

clared: "One of our major industries did something in this show that should be done often and by many industries of which we boast, but of which most of our residents know so little. No speaking, no preaching, just an opportunity for St. Joseph to see the amazing growth of this institution (Quaker Oats) . . ."

Letters to local management from youngsters, housewives, city officials and educators voice the appreciation of many groups within the plant communities. The show has scored particularly high with school people, and educators themselves have built school study programs around it. Through these study programs, boys and girls of various age groups learn something about the company *before* they tour the show and the plant. On the day of the show, the students and their teachers pour through the plant in a steady stream as bus after bus discharges its young passengers at the show entrance. In Akron last June, nearly 10,000 elementary and high school students of the area saw the show in a single morning and afternoon. Transportation was arranged by school authorities.

First of the school study programs was developed in St. Joseph, Mo., by School Supt. G. L. Blackwell and his curriculum supervisor, Max Coleman. It

"THE QUAKER SHOW" — Continued

grew out of a meeting in which Quaker's St. Joseph community relations manager described the forthcoming show to Blackwell and asked how students could best make use of it as a learning device. Blackwell was so impressed that he suggested the study project to his curriculum director. Coleman worked out an elaborate study guide covering various phases of Quaker's operations, for grades 1 through junior college.

The study guide suggested poster projects for art classes, accented research for science classes, outlined talks on The Quaker Oats Company's growth for economics students, etc. School officials also invited company representatives to speak to groups of graduating seniors about job opportunities at the company. Speakers carefully outlined the company's employee benefits such as a guaranteed work plan, illness and accident payments, a profit-sharing bonus, and a retirement plan.

Visitors to the show find themselves single-filing it past the exhibits and through the plant, a process which takes up to an hour and a half. In this period, they have ample time to view the displays, watch actual plant operations, talk with exhibit attendants and absorb facts about the company and American business in general. A background of music pervades the line of march, and every few minutes the wire-recorded voice of the plant manager, assistant manager or

superintendent breaks in with a 100-word message — a 30-second greeting . . . brief facts about the company's relations with farmers . . . a succinct expression of business philosophy . . . a half-minute outline of employee benefits. These talks are kept purposely short, friendly, and informal.

Visitors are made aware of safe, pleasant working conditions in the plant. The point is made not by signs which proclaim conditions to be safe and pleasant, but by the employees themselves — viewed as they perform their regular tasks. For example, one of the surest crowd stoppers has been a "materials handling" exhibit in which a fork-lift truck operator continuously shifts heavy pallets of flour, feed, etc., with little physical effort. The operation is not labeled as a display or exhibition, yet it invariably collects a crowd, and makes its point without words.

Management regards the Quaker Show primarily as a good will builder rather than a sales maker. Nevertheless, there is evidence that it *does* perk up sales. Example: In Sherman, Texas, the movie dog Rin Tin Tin III made numerous appearances in the town square and in retail stores, primarily to drum up attendance at the show. Local press and radio publicized the dog and the show. A Ken-L-Ration salesman in that territory subsequently reported that in the first three days after the show, sales to merchants

equalled five days of any previous week. Seventy-five per cent of the goods in 16 displays moved in less than one week, he told his sales manager, and grocers were quick to reorder.

Promotion of the show doubles with public relations merchandising in still other ways. During the week or 10 days preceding each show, window displays of Quaker products appear in grocery stores, pharmacies, appliance shops, clothing stores, even hotel lobbies. In the Cedar Rapids area, more than 60 such window displays were built — and several merchants who had not been approached by company representatives phoned to request product displays for their stores. A leading department store turned the job over to its own decorator, and an elaborate window display was constructed with the history of Quaker Oats in Cedar Rapids as a theme. All such window displays carry bright posters announcing the date of the Quaker show.

Promotion for the Quaker Show extends beyond the city limits, covering the plant community's trade territory with special emphasis on the agricultural area. Publicity is concentrated in the seven or eight days preceding the show, but planning starts weeks earlier. Promotion actually begins when school administrators are approached, usually two months or more before the show. At the same time, the plant's community relations man goes over his mailing lists, revising and extending them in preparation for direct-mail promotion of the show. As the show date nears, multi-graphed letters of invitation (prepared in Chicago on plant letterheads) go from the plant manager to as many as 30,000 individuals.

Direct Mail Promotion

Letters are written to appeal to special groups. (In one community, 29 separate forms were used.) Letters are slanted toward civic club members, farmers, 4-H boys and girls, women's organizations, teachers, business leaders, employees' families, customers, suppliers, etc. In addition, agricultural specialists within the company write personal letters to their faculty friends at agricultural schools nearby. The agricultural schools frequently send special faculty-student groups to the show.

Quaker's public relations department is convinced that the mass mailings are



School children touring the Quaker Show get a close-up view of corn milling operations. Member of mechanical research staff explains experimental machinery to youngsters.

"THE QUAKER SHOW" — Continued

effective. When the show was scheduled for Akron, management determined that the maximum number of people which could be handled in a single day was 18,000. Consequently, press and radio publicity before the show was purposely held to a bare minimum. School attendance made up 55 per cent of the 18,000. Many of the 8,000 adults who turned out presumably were attracted by letters they had received, since other publicity had been held down to almost nothing.

Plant Promotion

Plant preparations for the show also may be classified as part of the promotion, insofar as employees are concerned. Long before the show date, local management receives a planning outline from the public relations department in Chicago. Committees are set up to look after the scores of details in connection with the show, and employees are made to understand that "this is your show." They are urged to spread the word about the forthcoming industrial exposition to their friends and neighbors.

Of course, employees are reminded to bring their families. At St. Joseph, the wife of a plant worker remarked with evident pleasure while she was chatting with a local executive: "My husband has worked here for 17 years — and this is the first time I've ever been in the plant!" Effect of the show on job pride is clearly visible, and many an employee has boasted, after the show is finished, that youngsters who have seen him on the job came around after school to ask his help in writing classroom reports.

Top management from the company's Chicago headquarters also plays an important part in the show. At least one of the company's four top men attends each show and spends the day on the show floor in company with plant executives, greeting local business leaders and other visitors. The Chicago executives are natural targets for press and radio publicity, of course, and interviews are scheduled for them whenever possible. Local character of the company is emphasized, however, and the man from company headquarters never fails to stress the home-town theme. President Donald B. Lourie, an all-American quarterback in his college days, has found that interviewers (even metropolitan business editors who may travel a hundred miles or more to the Quaker show) spend much of their time talking football rather than



Quaker Show visitors cluster around exhibit booth to learn how furfural, versatile chemical extracted from corn cobs and oat hulls, plays a part in the manufacture of nylon, plastics, resins and scores of substances they use every day.

business. Result: Warm, human stories with broader appeal than a bloodless business yarn.

Press and radio news releases emanate from the local community relations man beginning about a week before the show. These follow a schedule carefully planned in advance. News is sent not only to local outlets, but also to weeklies in the area, to financial editors in other cities over the state, and to editors of milling publications, etc. Releases are well received, frequently as page-one material. In addition, they furnish background for financial columns, editorials, etc.

Subject matter of the news releases is calculated to appeal to various population groups. For example, Rin Tin Tin stories stimulate juvenile attendance, descriptions of the grain and feed exhibits are aimed at farmers, stories about Mary Alden's model kitchen bring out the women.

Radio coverage has been excellent, both in advance material and in direct broadcasts from the show. Local stations frequently arrange a panel discussion on the day before the show, using a rough script prepared by Quaker Oats writers. Typical radio panel: The local plant manager, a visiting executive, Home Economics Director Mary Alden, Grain Development Director Dallas Western, Rin Tin Tin and his master, and the Quaker

Show's director (a public relations staff member). Local stations usually plan a broadcast directly from the show, too, and announcers interview visitors with plant noises as a background. Such broadcasts in the late afternoon help to stimulate whopping big after-supper crowds.

Page-one newspaper stories and pictures on the afternoon of the show also fetch hundreds of evening visitors. City desks have invariably assigned the story, and company public relations men make themselves available to reporters and photographers throughout the day, steering them to interviews and special stories, and helping to set up photos.

The Quaker Oats Company is convinced that a one-day show is preferable to an open house stretched over two or more days. One reason, of course, is that conducting normal operations with swarms of visitors in the plant is difficult. Key executives are occupied as hosts. Warehousing space is frequently filled almost entirely by exhibits, and sending products directly from the packaging lines into railroad cars is not practical for long periods. Another consideration is that a one-day show is easier to promote. A "this is your only chance to see the show" appeal has proved to have considerable impact.

Operation of the show for a single day

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"TO EACH HIS OWN..."

By GUY BERGHOFF

Director of Public Relations, Pittsburgh Plate Glass Company, Pittsburgh, Pennsylvania

INHERENT IN THE TITLE of that one time popular song "To Each His Own" are several significant lessons for those interested in house magazine publishing. Implicit in the title is the present but oftentimes obscured truth that what appeals to one person has little or no interest for another. Also contained in these words is the admonition that although a certain type editorial menu might serve well the appetites of one group, it might not prove at all palatable to another.

Thus, it would be most difficult, if not

impossible, to attempt to outline an editorial program and a format which could be labeled the "ideal house magazine." Some of the inevitable questions raised by doing so would include "Ideal for what purpose?" or "Ideal for what group?" or even "What is Ideal?". The questions would be most valid for perfectly logical reasons.

Such a dogmatic approach to resolving the problems of house magazine publishing would be somewhat the same as saying that one particular type of automobile is "ideal" for all people. One

Last month the JOURNAL featured an article championing employee publications of the "home-spun," newspaper format, individual plant type. Written by Maxwell Benson, it made a good case for his favorite. Now the other side of the shield. Here GUY BERGHOFF presents a case history of "Results" through use of the picture magazine technique as exemplified by his company's publication "Pittsburgh People." He adds words of wisdom in his caption "To Each His Own . . ."

type of automobile would satisfy only one particular want or desire of all people in that it would afford them transportation. But on the other hand perhaps the color, the size, the shape, or the cost would make the owner and his family dislike the car intensely even though they did use it. In the same manner, all employee magazines provide a method of communication. But there the similarity stops. What, why, when, where and how they communicate is, quite naturally, different in practically all instances.

Each Will Differ

The choice of the proper type of publication by any organization depends entirely upon what that organization wishes to accomplish in conformance with set budgetary limitations. Just as each organization differs from others in their ways of doing business, so will their approach to house magazine publishing be unlike that attempted by others. That is it will, if they really want to publish a house magazine and not a management puff sheet. Each and every company or group producing an employee publication must decide for itself exactly what it wants or requires from such a publication. Then, if the company or group is efficient and progressive, it will develop that type of publication best suited to its own needs.

Those in charge of such work, will of course, have reference to the experience of others. They can profit not only by what has been done but also by what has been left undone. Out of their work

Some of the many different sizes, shapes and treatments of employee publications are shown here by Miss Marcy Daley. These range from the small digest type to the large picture book type. In between are literally a thousand and one different styles and treatments. These may be tabloid style, four page newsprint jobs or four-colored, 30-page printed works.



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Here are shown what might be termed, the extremes in editorial formula or treatment. Pretty Marcy Daley holds in her right hand a copy of the textual, digest type magazine.

In her left is the large, picture type. Each appeals to certain types of readers and each has its proper place in the employee publication field.

should evolve a house publication different in some way from all others.

Because each reputable employee publication has, or should have, a personality all its own it is patently impossible to take single issues of any two publications and determine which is the "best." For the same reason it is equally difficult to rate them as to effectiveness. Such selection or rating usually has for a basis an arbitrary set of standards. These can be, and usually are, wholly foreign to the actual objectives of either or both magazines. Qualified practitioners in the house magazine field never pronounce such judgment without a thorough investigation into the complete employee communications program of a company.

In order to determine the effectiveness of a publication, it is necessary to know (1) its over-all editorial policy, (2) what type editorial treatment appeals to the majority of its personnel, (3) what are the short and long range objectives, and (4) whether it is being read and believed. Obviously, the only manner in

which such information can be obtained is through an objective analysis. This method is diametrically opposed in practice to the subjective judgment so often employed in attempts to evaluate employee publications. In many cases, the possession of basic facts reveals that what appears to be an exceptional, slick-paper house publication is not doing the job as well as a rather unpretentious newsprint job.

Many Different Types

Some of the problems facing a company or group attempting to decide what editorial formula or format a house magazine should have can be seen in the popular consumer magazines. These range from the completely textual digest type, through various shades, sizes, and shapes to the large picture magazines.

The same situation is evident in the newspaper field. In some areas standard newspapers are used. In others the tabloids are found. Some newspapers use a great number of pictures, others use very few. Is it possible for a person to judge

which is the "best?" Perhaps upon a basis of pure theory or arbitrarily suggested standards, some might try. But the very success of each and every type of publication automatically invalidates such judgment.

This divergency in editorial style and format exists simply because different people have different reading preferences. Just as any successful consumer periodical must cater to its readers in matter of style and format, so must the employee publication. It is essential that the reading habits of employees be known and understood if success is to be attained. Each and every employee publication must then be tailored to meet these specific reading habits and to conform to the aims and objectives of the company or organization it proposes to represent. The degree of effectiveness the publication achieves in meeting these goals depends upon the care and thought which goes into its editorial formula and its physical make-up. This holds true no matter whether the magazine is a four

(Please Turn to Page 23)

WELCOME TO NEW MEMBERS

The Executive Committee of the Public Relations Society of America, Inc., meeting in official session,
unanimously elected to membership in the Society the following individuals:

ACTIVE MEMBERSHIP

- | | |
|---|--|
| ARMSEY, JAMES WILLIAM, Director Public Relations,
Illinois Institute of Technology, Technology Center, Chicago | HUNTINGTON, HOMER I., General Manager,
Poultry and Egg National Board, Chicago |
| BOOTH, BROWN, Public Relations Director,
Brown & Root, Inc., Houston, Texas | HUST, HURLEY G., General Partner,
Booke-Hust & Co., Ltd., Houston, Texas |
| CARTER, J. C. (Jack), Executive Assistant, Public Relations,
Texas and New Orleans R.R. Company (Southern Pacific Lines),
Southern Pacific Building, Houston, Texas | JACKSON, ANDREW, Assistant to the President,
Albany Hospital and Albany Medical College, Albany, N. Y. |
| COLLIER, CONRAD H., Public Relations Director,
Tennessee Gas Transmission Company, Houston, Texas | JACOBS, MAX H., Owner,
Max H. Jacobs Agency, Houston, Texas |
| CONDON, EDWARD J., Assistant to President and Director Public
Relations, Sears, Roebuck and Company, Chicago | KAUFMAN, JULIUS JAMES, Director Public Relations,
Ross Roy, Inc., Detroit |
| COX, DALE, Director Public Relations,
International Harvester Company, Chicago | KURTZ, LeROY H., Business Manager of Public Relations,
General Motors Corporation, Detroit |
| CURTIS, HOWARD S., Director News Bureau,
Brown University, Providence, Rhode Island | MILBOURN, MAX W., Director of Public Service,
Kansas State College, Manhattan, Kansas |
| DEERING, FRANCIS R., Owner,
Francis R. Deering Public Relations, Houston, Texas | RADOCK, MICHAEL, Director Public Relations,
Associate Professor, Kent State University, Kent, Ohio |
| ELLIOTT, RUSSELL EDWARD, Director Public Relations,
Detroit Young Men's Christian Association, Detroit | SAVILLE, GEORGE H., Director Public Relations and Asst.
Executive Secretary, Ohio State Medical Assn., Columbus, Ohio |
| FALK, RICHARD S., Assistant to the President,
The Falk Corporation, Milwaukee | SCHACKNE, STEWART, Assistant Manager, Public Relations Dept.,
Standard Oil Company (New Jersey), New York City |
| GRAHAM, WILLIAM R., Director Public and Industrial Relations,
William R. Graham & Associates, Los Angeles | VANCE, JOHN W., Assistant Director, Public Relations,
International Harvester Company, Chicago |
| GRAS, NORMAN S. B., Professor of Business History,
School of Business, Harvard University, Boston | WICKLAND, G. W., Vice President,
Wells Fargo Bank & Union Trust Company, San Francisco |

ASSOCIATE MEMBERSHIP

- | | |
|--|---|
| BULLETTE, CLEVE, Supervisor of Publications and Visual Aids,
Stanolind Pipe Line Company, Tulsa, Oklahoma | KEMP, JOHN D., Public Relations,
The Shamrock, Houston, Texas |
| DORMAN, LOREN F., Assistant Director Public Relations,
Weyerhaeuser Timber Company, Tacoma, Washington | KORNEGAY, RAY, Owner,
Ray Kornegay and Associates, Houston, Texas |
| FOX, LORETTO J. (Miss), Public Relations Assistant,
The Falk Corporation, Milwaukee | PINE, WILLIAM C., Vice President In Charge of Public Relations,
Lake Forest College, Lake Forest, Illinois |
| TERRELL, JOHN LAWRENCE, Manager of Public Relations,
Magnolia Petroleum Company, Dallas, Texas | |

NEWS IN VIEW



NORTH TEXAS CHAPTER charter was presented at a Dallas luncheon meeting May 17. (L to r): PRSA President, J. Handy Wright, luncheon speaker; Paul Cain, Oil Industry Information Committee, chapter secretary; John L. Mortimer, Director of PR, southwest district, U. S. Steel Corp., chapter president; PRSA Executive Vice President, Robert L. Bliss; and James B. Shores, Director Public & Employee Relations, Texas & Pacific Ry. Co., chapter vice president.



GLENN GRISWOLD, publisher of the independent weekly "Public Relations News," long a member of PRSA and its parent bodies, died March 15, in New York at age 61. His experience included 30 years on midwest newspapers, six years as Editor of "Business Week." His widow, Denny Griswold, survives him.



WASHINGTON, D. C. CHAPTER, established December 4, 1949, formally accepted its charter May 11 at a dinner meeting at the National Press Club. (L to r): Maurice O. Ryan, American Hotel Association, chapter secretary; PRSA President Wright; Oscar H. West, Oscar H. West Associates, chapter president; PRSA Executive Vice President Bliss. E. Cleveland Giddings, Vice President, Capital Traction Co., is chapter vice president.



TULANE UNIVERSITY SEMINAR participants who appeared at New Orleans conference May 18. (L to r, seated): Ed Lipscomb, National Cotton Council, Memphis; J. Handy Wright; James P. Selvage, Selvage & Lee, New York; (standing) Maxwell E. Benson, General Shoe Corp., Nashville; and Robert L. Bliss. Participants also included Horace Renegar, Director of PR, Tulane, who organized meeting; PRSA members Wiley B. Cotten, Roy M. Schwarz.

"Moving to a New Community" — A Case History

By ARTHUR F. GRANT

Socony-Vacuum Oil Company, Inc., New York, N. Y.

TOP IMPORTANCE when a manufacturing plant moves to a new locality is generally assigned to physical details such as transfer of equipment and machinery, lining up new workmen, maintaining an uninterrupted flow of products, and so on.

When the Socony Paint Products Division of the Socony-Vacuum Oil Company, Inc., decided to transfer its manufacturing operations to Metuchen, N. J., after close to 70 years in Long Island City, N. Y., company officials decided that several intangible factors were involved to the same extent as the physical details. These factors were:

1—A sincere and honest desire on the company's part to retain as many as possible of the existing group of 210 employees in the operation.

2—A feeling that the paint mill itself should be as welcome in its new community as a family feels it wants to be when it moves to a new neighborhood.

Additional Efforts

While the company was going through all the normal steps of seeking a site, arranging for construction of buildings and moving equipment without any delays in production, additional steps were being taken simultaneously to meet the goals implicit in the intangible factors.

The latter received the personal attention of C. Francis Beatty, member of Socony-Vacuum's Board of Directors who headed up the paint operation until several years ago and who now holds the portfolio on paint operations and industrial relations; S. G. Lansing, who succeeded Mr. Beatty as general manager, and W. H. Montgomery, head of Socony's Industrial Relations Department.

One of their first steps was to outline the objectives with relation to the industrial and public relations problems which were involved. Then they assigned the problem to T. C. Travis, veteran Socony employee who was named as industrial relations manager for Socony Paint Products Division.

Mr. Travis immediately consulted with the Publicity, Medical, Real Estate, Traffic and other departments to enlist their aid. This was in the early summer

of 1948, when the possibility of Socony transferring its paint operations was only a rumor among the employees. It was decided that a prime project would be to make an official announcement to the employees at once of the company's plan.

The first move was a dinner meeting in the New York Athletic Club at which all the paint plant supervisors were acquainted with the prospective transfer and shown architects' drawings of the new buildings. It was felt that advantages of the proposed move, not only from Socony's standpoint but from the employees' should be well established in the supervisors' minds against the day when the remaining employees would have questions of their own. Mr. Beatty and Mr. Lansing were the principal speakers at this meeting.

In June, 1948, in a matter of just a few days after the supervisors' meeting, each employee received a personal letter at his home from Mr. Lansing, notifying him that the Long Island City paint plant would be closed and a new plant constructed at Metuchen. It made the point, too, that the paint division was eager to retain all of its employees.

Tour of the Area

Mr. Travis and the Publicity Department then set up a tour of the area wherein the new plant was to be located. Early on the morning of June 26, 1948, seven chartered buses left midtown New York with practically all of the paint plant employees aboard, together with their wives, husbands, fiances and fiancées. An employee guide was in charge of each bus.

Guests on the tour received, as they boarded the bus, a folder prepared by the Publicity Department which showed a map of the Metuchen area and listed important facts — intended to be read as advantages of living there — about New Jersey. The folder also described churches, schools and other places, and their distances from the plant. Then the buses visited the plant site itself as well as many of the adjacent towns.

At the end of the tour, Socony Paint Products was host to the entire group at an outing at a rural hotel near the plant

site. Dinner was served in the hotel to all the employees and their families as well as to civic leaders and community government officials in the area. After dinner there were dancing and sports.

It was felt that inviting the civic leaders and community government officials would give the employees a better opportunity to ask questions about the area. At the same time the civic leaders and community government officials had an opportunity to size up the type of people who would soon become new citizens and neighbors there. The net effect was the laying of the groundwork toward establishing good relations between the communities, the plant and the plant's employees.

Helping Employees Move

A month later a folder listing all the available information about the 18 communities in the new plant's immediately surrounding area was mailed to the employees' homes. It likewise provided the names and addresses of real estate firms shown by the company's Real Estate Department investigation to be reputable and reliable.

The following month was devoted to setting up private interview rooms at the Socony Paint Products Division's general offices at 111 Broadway, New York, and in the Long Island City plant. Every employee was interviewed personally by Mr. Travis in the succeeding 30 days. In this period construction of the new factory began.

Principally the interviews were devoted to assuring every employee that the company felt "we have a fine organization" and that it wanted to retain the employee's services. The employees were told, too, about plans at the new plant for a recreation area, bowling league, thoroughly modern cafeteria and medical facilities and other advantages; and of plans to provide real estate information (rentals and houses for sale) by means of letters, pictures and bulletin board notices.

In addition the employees were told that the company would pay all moving expenses, would provide up to two days off for moving and for making moving arrangements, and would pay railroad

MOVING TO A NEW COMMUNITY — Continued

commutation fares for employees who moved to the area before the new plant was ready to operate. The latter ensured a full, regular working force at the Long Island City operation until the new plant was completed. Arrangements were made for regularly-scheduled buses of established transportation companies to meet trains of employees whose moving would occur after operations started at the new mill but before the employees had completed arrangements for moving.

No attempt was made to avoid the fact that, in Metuchen, many of the employees might be required to pay more in rent than in the vicinity of the Long Island City plant. Similarly purchasers probably might be required to pay more for their homes. The advantages of generally better living and recreational advantages were stressed, however. This, it was found, appealed particularly to employees with growing children. Accommodations were located, though, to fit almost every pocketbook and many employees welcomed the change to suburban life.

In the meantime efforts were being continued also to cement good community relations. F. A. Walters, an execu-

tive in the Socony Paint Products Division, Mr. Travis, Mr. Lansing and others visited practically all the plants and towns in the area and spoke before church, Chamber of Commerce, luncheon clubs and other groups.

In the industrial plants, they emphasized Socony's long history and excellent reputation in the paint industry and that the character of the employees is exemplified best by the fact that practically all of them have been with the company for unusually long periods.

How well the program succeeded, with respect to employees and to establishment of good community relations, is illustrated in that the plant itself started operating early in 1950 with practically the entire Long Island City labor force intact. An exception is made in the cases of about 15 employees between 60 and 65 whose retirement dates are being moved up at Socony's expense so that they will not have to move to New Jersey for short remaining periods with the company. An exception is made in the cases also of several women office employees at 111 Broadway who received other positions in Socony-Vacuum's office building at 26 Broadway.

In the matter of community relations, Socony Paint Products officials said they have found an unusual willingness on the part of townspeople and civic officials to help the employees with their real estate and other problems. "The welcome with which we are being received," one said, "far surpasses our most optimistic expectations."

Although Socony Paint Products name as a paint manufacturer is less well known than others, the company is one of the largest in the business. It was established in the middle of the 1860's to provide paint for the old Standard Oil Company and subsidiaries. Now it is primarily a producer of industrial and marine paints and serves hundreds of companies in nearly as many industries. During World War II, it won several awards for production efficiency. In addition to the Long Island City operation now being moved to Metuchen, it operates paint plants at Beaumont, Texas, and Los Angeles, California, also. The new Metuchen plant provides 150,000 square feet of floor space — three times more than in Long Island City — and is believed to be one of the most modern paint plants in the country.

"THE QUAKER SHOW" — Continued

costs about \$3,000 for installation, promotion, literature, and sample boxes of "Quaker Show Candy," a puffed rice confection made and packaged as a special give-away. Plant costs sometimes involve paying an extra shift on production lines to make sure that all visitors see typical plant operations. Time lost by production men in setting up the show, staffing the booths, etc., is also charged to show expense. For a company with several plants, of course, the traveling show is preferable cost-wise to an exhibit prepared for a single plant. Its usefulness is more or less continuous, and this justifies a capital investment which would be out of the question for one showing.

Operation of the six shows thus far has been silk-smooth, as a result of careful planning long in advance. Crowd flow is usually quite satisfactory, even during peak periods, because alternate routes are ready and most bottlenecks along the line of march are spotted and eliminated in advance. A registered nurse is on duty throughout the show,

but possible danger points are blocked off and patrolled. The only mishaps to date have been few and minor — a boy who bruised his thumb in a washroom door, another lad who vanished from his school group and caused his teacher some concern until she learned he'd gone home, a third child with a stomach ache which was traced to green apples.

In one or two of the early shows, the after-supper crowd was almost too large, in contrast to a distinct lull in the late afternoon. To even out the flow, letters of invitation to certain groups have urged recipients to come between 3:30 and 5:30 P.M. The device has proved useful in filling up the quiet spot and reducing the evening throng to more manageable size.

The Quaker Oats Company regards its traveling show as "a sales promotion for free enterprise," and believes that entertainment and education combine to make a palatable and nourishing dish. To companies considering a similar approach, Quaker Oats offers the consultative services of its public relations de-

partment. Copies of school study programs, organizational outlines, etc., are available.

Opinion leaders in plant communities, volunteering their reactions to the Quaker Show, have been enthusiastic far beyond the demands of politeness. Typical are these excerpts from an editorial in the Cedar Rapids, Iowa, *Gazette*, under the title, "Good Public Relations":

"The business man who opens his doors to the public is recognizing that simply paying taxes when due and treating employees fairly is no longer sufficient evidence of good corporate citizenship. He is helping to tell the people what the American economic system is all about by actually inviting them to see it in operation.

"The Quaker Show establishes this fact, among others: If some businesses have developed shy personalities because their executives imagine that the public simply isn't interested, they are mistaken . . . The throngs who attend events such as the Quaker Show are proof of that . . ."

THE END

BRIEFS

The General Electric Company has published a friendly little booklet titled "Neighbors From Way Back." Its cover carries an outline map of the Pacific Coast and shows the GE installation from Seattle, Washington to Phoenix, Arizona. Copy points out that "The west and General Electric have been partners in progress ever since the company was incorporated in 1892." It appealed to us as a splendid device for making a neighbor of an organization frequently thought of only as being located in Schenectady, New York.

— BRIEFS —

The American Management Association has published a check list of its recent publications in the fields of personnel management and industrial relations. The publication lists 54 documents by 200 authors. Subjects include: welfare issues in collective bargaining, operating under the LMRA, trends in union demands, advances in personnel administration, influencing and measuring employee attitudes, plant-wide and geographic salary administration, advances in methods of personnel evaluation and training.

The check list is available from the association at 330 west 42nd Street, New York 18, on request by executive *Journal* readers.

— BRIEFS —

Again a Britisher's viewpoint is expressed by Geoffrey Crowther, editor-in-chief of the *Economist of London*. In an April 11 address in New York he said, among other things: "To an Englishman coming to this country, he is first of all impressed by the enormous material wealth that is produced by your competitive economy, and then, I think, he is less favorably impressed by the phenomenon of individual security that goes with it. Now, that is no doubt a shocking thought to you, and I would merely just mention in passing that if you take any of the phenomena that indicate individual insecurity, such as the suicide rate, the incidents of mental instability, the alcoholism, the incidents of divorce, any of the other signs of personal insecurity, I think you will find that the incidents of all of those is quite considerably higher in this country than it is in the United Kingdom . . . I think the Englishman would say, 'Give us a little bit more competition and a little more progress, but let us keep, as much as we can of our security'."

— BRIEFS —

Among those outstanding Americans urging business statesmanship is Mr. Harry A. Bullis, chairman of the board of General Mills, Inc. Speaking on the subject, "The Road to Business Leadership," at a special convocation of New York University, Mr. Bullis said, among other things, that there are four major guide posts to business leadership. He set them down as: humanity, productivity, ownership, and understanding. He placed major emphasis upon the fact that business leadership — effective leadership — is dependent in large part upon good human relations. "Business cannot command labor," he said. "It can only persuade. But successful persuasion implies responsibility for dealing with people to their

greatest advantage. A man will work for you and help you if he thinks that by doing so he will get ahead. It means that business at all times should elevate the human factor above all others. This is a challenge of human relations, a challenge of managing men for the benefit of the group society as well as the individual unit of society. We know that the security of enterprise and the welfare of the individual are joined like Siamese twins. Let us sell that concept."

— BRIEFS —

Industrial publicity is a subject of a worthwhile article appearing in the April 1950 issue of *The Advertiser's Digest*. The article is condensed from *Industrial Marketing*. Harry W. Smith, Jr., the author, gives this advice: "Do not attempt to give publicity as an expense extra. Set funds aside for it. The exact figure will depend upon the thirst of the industrial world for the type of information you want to purvey, the skill and experience of the publicity team you develop, the severity of editorial competition you face, the amount of internal company cooperation given to the program, and the depth of the technology involved. Your cost range will not be affected by whether you organize internally for the job, engage external specialists, or work out some combination thereof."

— BRIEFS —

"Business must acquaint the American people with the extent and value of its contributions to their welfare if it is to assume the position and prestige in our society which it deserves. To contemplate the collapse or even the weakening of this great institution is frightening. Those Utopian theorists who tamper so nonchalantly with the structure and the method of American business should realize that American business is as delicate as the organism of the human body. It has grown over the years, at places perhaps too fast and too far, but for the most part in a healthy and normal way, and functions today not only for its own benefit but for the benefit of the American public — with a smoothness and an efficiency and an end-product which is the marvel of the world." — from an address by the Honorable Charles Sawyer, Secretary of Commerce, March 31.

— BRIEFS —

"Although the labor of the employee has a value that can be expressed in terms of money, a financial return is not the only thing he wants from his job. Some operations in modern mass production tend to be monotonous. Some of them represent such a small part of the over-all process as to seem pointless, perhaps, to the person performing them. Under such circumstances, the individual does not find in his job a satisfaction for the creative impulse which is in all human beings. He feels, instead, like a cog in a machine.

"Ways must be found to give the individual worker, at every rank, a sense of accomplishment, a feeling of personal worth, a realization of the true importance of his effort to the broad scheme. The individual employee wants not only fair pay and reasonable security but just dealing, respect, and a feeling of accomplishment. He

wants, too, the opportunity to advance in his chosen career, and to build a fuller life for his family.

"What I am now talking about, of course, is the wide field of human relations." — From "The Corporation's Responsibility to the Future," by Eugene Holman, President, Standard Oil Company, (New Jersey).

— BRIEFS —

"No mariner ever enters upon a more uncharted sea than does the average human being enter upon in the twentieth century. Our ancestors thought they knew their way from birth through all eternity; we are puzzled about the day after tomorrow." With these words, Walter Lippmann, in the book *Drift and Mastery*, puts his finger squarely on the crux of this generation's basic insecurity, on the cause for economic confusion and ideological strife.

— BRIEFS —

The February issue of *Stet*, published by Champion Paper and Fiber Company, points out that, "It is precisely because people are afraid of facing the future that they tend to turn more and more to any system which offers, or seems to offer, security. The lead article in this issue of *Stet* explores this idea in some detail and proposes numerous ways to meet the needs revealed.

— BRIEFS —

"We live in a world of delicately poised social mechanisms. There is great interrelationship, and we must clearly recognize and acknowledge that no segment of human society can live without concern for the welfare and opinions of other segments of that society. When this concern is acknowledged, the things that are done about it can be grouped under the heading of 'public relations'." Thus does the California Society of Certified Public Accountants introduce the subject of public relations to its members and prepare them for a serious examination of a splendid booklet issued by the Society and titled *You and Public Relations*.

Prepared by Arthur Sargent, Public Relations Society of America member, the booklet is a superb example of how a constructive public relations program may be presented and merchandised to a professional society.

— BRIEFS —

Most published labor agreements are anything but attractive or inviting. Stating as they do the hard facts and conditions of employment, they are cold legal documents at best. This does not apply, however, to the agreement between Titanium Alloy Manufacturing Division of The National Lead Company, and Local 12230, District 50, United Mine Workers of America. While taking no liberties with the text, T.A.M. injected a little warmth and humor through cartoon illustrations and dressed up the format attractively. The cover design is modern; the paper stock of good quality, and the type in good taste.

Commenting on this departure from the usual, David A. Thompson of T.A.M. says, "We didn't have to do it — could have run it off on a duplicator — but this way it's more fun for all hands and, we believe, shows management and labor in a human light. For the first time our men are taking the agreement home to show their families and many of them are reading it all the way through and understanding more fully what they're getting."

— BRIEFS —

In the Peoria, Illinois, area school teachers recently turned to a study of business. This highly successful event was brought about through the efforts of one

hundred and twenty-five Peoria businesses and institutions which were hosts to twelve hundred and ninety-one school teachers of Peoria and Tazewell counties. The occasion was *Business-Education Day*.

The purpose of Peoria's first B-E Day was to give educators an opportunity to learn about the operation, the problems and the rewards of local business, industry and institutions. The activity is reported in considerable detail in *Keynotes*, house publication of Key Stone Steel and Wire Company of Peoria.

The article in the Spring, 1950 issue of *Keynotes* tells how educators visited financial institutions, manufacturing firms, department stores, and many other organizations. The conclusion of teachers was contained in the statement of many to the effect that "they ought to have a B-E Day every year." Many company heads received numerous invitations from visitors to "come out and see our schools."

— BRIEFS —

The May, 1950 issue of *Pacific Northwest Industry* is devoted entirely to the proceedings of the recent public relations clinic held in Seattle under the sponsorship of the Public Relations Society of America and The Seattle Public Relations Round Table. The editor of the publication refers to the seminar as "an unusual and peculiarly significant conference" and comments at some length upon the challenge to businessmen raised by Howard Chase, PRSA Vice President.

— BRIEFS —

Benjamin F. Fairless, President United States Steel Corporation, in an address before the Baltimore Association of Commerce, had this to say, among other things, in defense of big business. "Now it seems to me that the most dangerous deception which has been practiced upon us is the fallacy that our whole economy can be divided into two parts labeled 'big' and 'little' business . . . How silly that concept is, if we stop to analyze it. There are 4,000,000 individual business units in this country and they are all part and parcel of one great industrial machine. They are very much like the parts of that cold reducing mill I was watching this morning. Some of them were big and some of them were little. There were tiny electrical contacts and huge steel rolls that weighed several tons each. Some parts ran at high speed, while others ran slower; but all of them were intricately fitted together, and each had a particular job to do. So this mechanical giant went grinding along, rolling the hard, tough steel into strips, as smoothly and as easily as Grandmother used to roll pie crust.

"But of what use would that machine be to anybody if our Washington theorists once went to work on it? Our (government) economists would cut it up into half-a-dozen pieces because it is so big. Our statisticians would sort out all the parts into neat piles according to size. Some members of Congress would pass a law decreeing that all the parts must be the same size, or that all must run at exactly the same speed. And in the end, there would be no machine at all. All the parts — the big parts and the little parts — would be junk."

— BRIEFS —

An interesting and stimulating handbook has just been issued by the University of Mississippi, Bureau of Public Administration. It is number eleven in the "Municipal Study Series" and is titled *Public Relations for Municipalities*. Authored by Marvin M. Black, PRSA Director and Director of Public Relations at the University, it should serve to focus the attention of municipalities upon building adequate public relations programs.

ly, acceptance of public relations with corporate management; it most assuredly laid our future statements to the press and public open to suspicion.

Public Relations News of April 10, 1950, commented that:

"There may be personal tragedy in Charles Luckman's exit from the presidency of Lever Brothers, but more important is the damage Luckman and his public relations advisors have done to the profession . . . Benjamin Sonnenberg, fabulous publicity man, was almost exclusively responsible for the development of the Luckman folklore . . . Sonnenberg joined forces with Luckman in 1939 when he was vice-president of Pepsodent . . . worked closely with him for 10 years. Certainly he cannot plead ignorance of Luckman's true character, talents and thinking."

PR Carries Enormous Trust

Public Relations, in the ideal position in management, carries an enormous trust. Integrity, wisdom and competence are absolute prerequisites.

Advancing on the assumption, then, that the public relations practitioner is all of the things he ought to be, his step number one is our well-known rule: always adjust to the backdrop.

His first job in handling his assignment should be a thorough evaluation not only of the company whose good will he has been hired to preserve and enhance, but also to understand minutely the background, thinking, motivations of the company's chief executive officer. If the top boss of the company believes in his public relations executive, the other officers and directors will feel the same

way about him as a general thing. Once that confidence is established all recommendations that emanate from Public Relations carry weight.

Under the tremendous responsibility of this confidence, the public relations executive must function well. His decisions, suggestions, recommendations must be sound as well as honest. He must tell the boss frankly, but constructively, when he thinks the boss is wrong. He must tell him why and, by all means, be prepared with an alternative plan.

Always Consider the Human Element and the Timing

Never underestimate the personal nature of the corporate executive or any other human being to be dealt with. The human equation is always at work whether we know it or not and enters into business decisions more times than we might believe.

Timing is of primary importance in creating the ideal relationship with corporate management. What seemed like a ridiculous suggestion yesterday might be regarded with full favor today because in between time something may have occurred to alter the thinking of the chief executive officer. The sound public relations adviser must be constantly alert to such business and personal factors. Understanding his principal will help more than all the flamboyant schemes in the book to give the public relations officer the chance he seeks to serve his executive better.

The two A's of Availability and Action (not to be confused with Alcoholics Anonymous) are musts. When the Chief

Executive Officer is making policy decisions and wants Public Relations, then Public Relations should be quickly available, either in his office, by long-distance phone on the road, or at night in his home. When he is not available, he will find himself being called less and less.

Most corporate executives by the very nature of their momentous tasks crave action. The policy decisions in a large company fall into two categories as a rule — long range and immediate. Even the long-range decisions are more happily brought about if all the executives concerned are prompt in their analyses, recommendations, criticisms. But the immediate decisions require us to be galvanized into action on a moment's notice, to weigh the pluses and minuses of a decision clearly and quickly, to express with conviction the judgment for which we are responsible. This requirement is true of all executives but it takes on more than ordinary importance in the case of Public Relations because, true or false, it is felt among corporate leaders that our ranks include many playboys, pipe-smoking theorists and heavy-handed academicians. Action is likely to allay any such impression.

Tireless Efforts in Demand

Assuming these requirements have been met and the position of confidence secured, then the public relations officer must be tireless in his efforts to put his company over.

Opportunity and competence combined with the fundamental qualifications will make a happy marriage between public relations and corporate management.

THE END

PRSA STATISTICS

Recently issued from PRSA headquarters by Robert L. Bliss, Executive Vice President, is an illuminating breakdown of the distribution of Society membership. The statement reveals that Society membership is distributed among various classifications as follows: Business and Industry, 47%; Independent Consultants, 30%; Trade Associations, 9%; Education, 5%; Philanthropic and Voluntary Health Groups, 3%; Government and Municipal, 2.5%; Media, 2%; Labor, .5%.

color, letterpress production or a mimeographed news sheet.

Profit By Experience

As with most everything else practical experience is the best teacher. This has been particularly true with the house magazine publishing activities of the Pittsburgh Plate Glass Company. For years many of the company's multiple units produced their own house magazines. Then later it was decided to combine them into one over-all publication. This was published for several years and appeared to be a very fine house magazine. It was — from a literary and typographical viewpoint. However, it was not accomplishing its goal of furthering the best interests of employees and management. It was neither read nor accepted by the great majority of employees. As a result, action was taken to see what could be done to make the magazine effective.

The first phase of the program was a reader survey of the former *Pittsburgh People*, a typical eight by eleven inch house magazine. Results substantiated the belief that only a small percentage of employees were interested in the magazine. It further showed that still fewer were reading it.

With these facts in mind steps were taken to determine the reading habits of employees. Also their expressed preferences with regard to the type of publication they would like were sought. When tabulated, results indicated that employees wanted (1) news which affected their jobs, their earnings, and their security; (2) more and bigger pictures; (3) more news about the plants and the actual operations of the company; (4) more local news about their own plants or locations; and (5) more pictures and information on where products were used.

From these findings a basic editorial formula of 65 to 70 per cent illustrations and 30 to 35 per cent reading matter was established. This naturally meant that the size of the new *Pittsburgh People* had to be similar to *Life* and the other popular picture magazines. It meant a change in format where the burden of communication was placed largely upon pictures and illustrations.

Facts Clarify Problem

These basic findings pointed the general direction toward an effective house

magazine. With these facts in hand, management knew exactly what the employees wanted and how they wanted it. The next problem was to weave these facts into an over-all publishing program which would be mutually beneficial to employees and management. To accomplish this task five individual, but closely related, steps were then taken to round out the house magazine program. These were (1) determining the editorial policy, (2) forming a program, (3) establishing a plan, (4) selecting personnel, (5) arranging production.

Of these, perhaps the most important was the editorial policy. This was determined by the Public Relations Department working with an executive committee of top-ranking company officials.

BOUND VOLUMES

PR Journal

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This committee, after extensive study of the data revealed by the research work plus consideration of what the company wanted to accomplish outlined the following objectives:

1. Present in clear cut terms the operations and policies of the company, particularly as they relate to the individual employee and his job.
2. Interpret and inform employees of the basic economic truths of our free American economy.
3. Discuss factually matters of national interest as they affect labor-management relations, particularly as they affect the company.
4. Promote unity among employees of the "Pittsburgh Family"

and develop a concept of pride in and loyalty to the company.

5. Help improve working conditions by stimulating maximum health and safety practices and by recognizing employee contributions and accomplishments.
6. Advance plant-community relations by interesting employees' families, neighbors, and civic leaders in "Pittsburgh Plate."

Technical Problems Solved

In addition to the problems involved in developing the editorial format and policies there were many physical and technical problems to be solved. These included such things as setting up a competent reportorial field staff and obtaining maximum distribution. Perhaps one of the most difficult of these physical tasks was how to combine general production and economic news with local plants news in an efficient and yet attractive manner. This was overcome by designing a general magazine of 24 pages with localized inserts for the various units. Personalized, four page inserts are prepared for the plate glass, window glass, chemical, paint, brush, and other divisions. These are bound into those copies received by the employees in the respective divisions.

With most, but not all the problems adjusted, the new *Pittsburgh People* began publication. Whether it has met with success can be determined by the answer to two primary questions. These are (1) Is it carrying out its predetermined aims and objectives? and (2) Is it read and accepted by the employees?

An examination of the May, 1950 issue provides the answer to the first question. An editorial on the inside cover "Why Kill The Goose," discusses the need for and use of company profits. Few will argue that such frank discussions as this editorial are *not* needed to explain the American way of life. Profits are the keystone of our economic system and such messages as this point out their true value and importance to everyone. A feature story on the why and wherefore of "PPG Communications" highlights the people, the equipment, and the way the "Pittsburgh Family" communicates with one another in the daily conduct of the business. It demonstrates in pictures and text some of the vital but behind-the-scenes services which are

needed to keep plants operating and people working.

Local Inserts Used

An attractive pictured insert of news and views of local employees is included. As explained before, this section varies according to the divisional affiliation of the employee. This satisfies the desire for the "home" news essential to all house magazines as well as practically every type of consumer publication as witness the great number of columns in newspapers and popular magazines. Although this type of news is essential, it should never predominate unless it can be expertly woven in with the editorial objectives of a magazine. The art of educating with "home spun" talk is indeed a fine one possessed by few writers.

A three page article discloses how a company product, paint, is used in producing electric appliances. Two stories

PR JOURNAL ADVERTISING

The PR JOURNAL is read by public relations executives in 36 states and 5 foreign countries. In addition, hundreds of top management leaders all over America are regular JOURNAL readers. The cost of reaching this prime audience is nominal. Write PRSA headquarters for an advertising rate-card — today.

feature interesting "Pittsburgh" people and a full page is devoted to news of interest to women.

Promoting the story of the free American economy are a double page spread on "How We Live," and a back cover editorial "May Day . . . good news or bad?" Each and every issue of the mag-

azine contains similar articles about basic economic truths. These have ranged from treatment of Communism and Socialism through information on production and pension problems to discussion of the Taft-Hartley Act and similar subjects.

Meeting Objectives

By an analysis of the contents of this issue, as well as any other, with the objectives as previously set forth, it is apparent that the magazine is doing its job in this respect. In an editorial formula which the employees indicated they liked, the magazine is giving them information which, being basic economic and production truths, cannot help but prove mutually beneficial.

One of the essentials for any publication's success is having maximum distribution. To assure the fullest possible coverage a system for direct mailing to the home was set up. Although this involves some cost, it more than paid off by providing nearly 100 per cent coverage. But just having high distribution was no indication that the magazine was doing its job. When the magazine got into the home, the question was "Did the employee and the family read and believe it?"

To find the answer, a readership survey was undertaken among employees at the largest of the company's plants. Opinion Research Corporation of Princeton, New Jersey, was commissioned to conduct this survey. Results demonstrated conclusively that *Pittsburgh People* was being read and accepted by a very high percentage of employees and their families. A readership score of 72 per cent was registered by employees and that of their wives was 82 per cent. When asked whether or not the magazine was of interest to them, 72 per cent of employees and 75 per cent of the wives said it was. Queried as to whether or not they had a feeling they could believe what they read in *Pittsburgh People*, 82 per cent of the employees and 80 per cent of the wives said they could believe what they read. The same high degree of acceptance was evident in the response to other pertinent inquiries made during the survey.

Widely Accepted

Undoubtedly one of the principal reasons that *Pittsburgh People* is so widely

accepted by employees is the care and thought given to each phase of preparation. The magazine is competing with all manner of both newspaper and slick publications as well as radio, television and other information media, and it just has to be good. All the services and facilities of the modern public relations, advertising, and graphic arts professions are used. The entire task is handled on the same basis as the most important product promotion because, after all, *Pittsburgh People* is really selling the most vital product of our nation — our priceless freedom of thought and action.

Because *Pittsburgh People's* editorial formula meets the objectives which the company established in a manner which employees wanted and because a scientific readership survey has proven its acceptability, it can be said that this large size, picture type magazine is the "best" for the purpose of this company. This conclusion is also emphasized by the fact that the present *Pittsburgh People's* predecessors ran the gamut of house magazines from two page mimeographed sheets to a slick paper, highly literary work.

However, the success of the current *Pittsburgh People* in no way serves to establish it as a criterion for judging house magazines. Simply because the magazine is doing its job for Pittsburgh Plate, is no reason to assume that it would be equally effective for other companies having employees with different reading habits. It does not follow logically that this same type magazine would be at all suitable for another company faced with different problems and circumstances. Along the same line of reasoning it is obvious that no one unfamiliar with all the facts of the case could "judge" whether or not *Pittsburgh People* was good, bad or indifferent.

The important lesson that can be drawn from *Pittsburgh People*, is that the tools and services for making a success of any employee publication are available. Any one sincerely interested in publishing an effective house magazine can employ these tools and services to fashion a publication particularly suited to individual needs. There is and can be no "ideal" house magazine universally suited to all companies and groups. As the title to the song succinctly states it is a question of "To Each His Own."

THE END

the rudiments. The stabilizing budget policy says: "Set tax rates to balance the budget and provide a surplus for debt retirement at an agreed high level of employment and national income. Having set these rates, leave them alone unless there is some major change in national policy or conditions of national life." In this policy we look at the budget as it would appear at a time when we have high employment and national income. We provide for a surplus for debt retirement at that level. From that point on, we do not change tax rates, unless there is a particularly serious depression or inflation, or a desire on the part of the public for a new expenditure program.

Monetary Policy

Monetary policy has to do with managing the nation's supply of money and credit. It has one advantage over most other policies run by the government: it is highly flexible, and policies can be changed quickly in response to a change in economic conditions. By influencing the supply of money and credit, monetary policy can influence the economic climate. It does not clamp controls on particular industries or individuals. All it does is encourage or discourage expansion or contraction of business activity in general.

This is done through bank operations, by way of the Federal Reserve System. The Federal Reserve's instruments for handling the job are what is known as open market operations and also the regulation of bank reserve requirements. Open market operations consist of the selling of government securities to the banking system, and of buying government securities from the banks. When the Federal Reserve Banks sell government securities in the open market they absorb money available for lending or investing in other ways. When they buy securities they put money into the market that can be invested or loaned. In this way, selling of securities by the Federal Reserve Banks restricts the expansion of the economy. It is anti-inflationary. When the Federal Reserve Banks buy securities they encourage expansion of credit by the banking system. The first operation is a useful device in periods of inflation, and the latter is helpful in combating depression.

By changing reserve requirements of banks, the Federal Reserve System can

also affect the economic climate and counteract undesirable economic trends. Monetary policy, if properly managed, is an important force promoting greater economic stability.

Debt management policy also has a vital role in a stabilization program. It, too, is impersonal. When the Federal government sells securities, it can influence the course of the economy. This is done by selling bonds or other securities to institutions or individuals in ways that will promote or discourage expansion or contraction of the economy. It is also done through debt retirement designed to contribute to economic stability.

For example: If the government makes an effort to sell savings bonds to individuals, it is persuading the public to save money rather than spend it. If this is done in a period of inflation, people will buy bonds instead of bidding up the prices of available goods and services. This is obviously anti-inflationary. When savings bonds are retired, and replaced by bonds sold to the banks, the people who held the bonds are encouraged to spend their money, and the banks can expand credit. This is useful in a depression.

When the government has a deficit, it makes up the difference between receipts and expenditures by selling government securities. But this is by no means the only time that debt management comes into play. We have a huge national debt, and large amounts of government securities come due almost every year. This matured debt has to be refunded — replaced with new securities. By selling new securities in a way that will contribute to greater economic stability, the managers of the national debt can make an important contribution to the program.

Recommended

This, in skeleton form, is the main portion of CED's views on what the government can do to promote more moderate swings of the economy. We have published policy statements covering these policies in much greater detail. Incidentally, CED recently applied its formula to the budget for the next fiscal year, in a policy statement called "Tax and Expenditure Policy for 1950." In this policy statement we recommended expenditure and tax cuts, in line with the stabilizing budget policy.

Stability is not a matter for government action only. Labor, agriculture, and all the many industries of the country can act in ways that will contribute to a more stable economy. So can State and local governments.

We do not want stability at the cost of our freedoms and our economic growth. The sure rise in population points up one of the main reasons why we must have a growing economy. Last year almost 700,000 people were added to our labor force. We must provide jobs for the constantly increasing labor force. And if we are to continue to enjoy a free society, most of these new jobs must be provided by private business and other private — as contrasted with government — fields of endeavor.

Reasons We Must Grow

Another reason our economy must grow is that we Americans have made a rising standard of living one of our national goals. The steady increase in material well-being in this country has been the envy of the rest of the world.

There is a third, and somewhat different reason why we should continue to enjoy economic growth; we are today the leaders of the free world. As such, we have a responsibility for the protection and strengthening of the other free nations against the onslaught of Communism. To lose the dynamic growth that has characterized our economy would be to lose the fight for survival of freedom.

Growth is inherent in a free and competitive economy. A free society provides an atmosphere in which men seek to better themselves. One way in which this takes place is through invention and discovery of new products, improvement of old ones, and a constant surge of progress. The free economy, which is the key institution in the free society, provides the demand for these products. It sifts out the failures and brings success to the developments which seize the imagination of the public. In a free society men are never content with what they have; they are constantly striving for material progress.

Today there are danger signals flying. We are carrying a burden of taxes so high that there is bound to be some impedence to economic growth. Much of this burden is unavoidable, and we will have to make the best of it for some time. But our tax structure is in need of re-

form. Tax revision cannot be attained overnight, but we can make steady progress toward removing the obstacles to business investment which are currently imbedded in our tax system.

If we are to provide jobs for the people who are entering the labor force, we will have to make sure that private investment in business will be attractive. Otherwise our economy will eventually stagnate, and we will not attain our goal of high employment as the normal condition of economic life. We must provide incentives for this investment.

Productivity

Productivity is at the bottom of this matter. There has been a steady rise in productivity in this country. The more goods our labor force can produce the more will be available for all our people. Real economic growth is measured not in terms of dollars but in terms of output per man-hour. Only if we produce more can our living standards really rise.

The standard of living has risen more rapidly in the United States than in any other country at any time. For example, our population has increased sixfold since 1850. But our total output has grown more than twenty-five times. In other words, our real income has risen more than fourfold in the past 100 years. No other country can match that record.

This does not mean that there has been a steady, regular advance in living standards. Our growth has come in waves, corresponding to the business cycle. In depressions we have had a temporarily declining national output. But over the long course of time we have always exceeded our previous peaks.

The standard of living has risen in many ways. We have not necessarily had two chickens in the pot for every one that was there before; instead we have had a different bird, newer and better than the proverbial chicken. Part of the gain in living standards has come in the form of more leisure. Outside of agriculture, the average work-week has dropped from about 70 hours in 1850 to about 40 hours today. Whole new industries have grown up to cater to our leisure-time activities.

The vast productiveness of our economy, then, has given us not only a higher standard of living, but also a new standard of living. The quality of living has improved too. Behind this great improvement in our material welfare is the

great expansion in our capacity to produce. Higher wages that are not balanced by an increase in the capacity to produce will not contribute in the long run to a higher standard of living. Our most recent policy statement discusses "how to raise *real* wages."

The problem for the future is to continue to raise living standards and yet to reduce the costs of technical change

ARE YOU LOOKING . . .

For an assistant with special skill? A staff member or a trainee? The Journal's "Help Wanted" column on page 28 will reach your audience.

as reflected in insecurity and instability.

The second half of the twentieth century opens with several clearly evident facts affecting the American economy. First, there is the fact that the United States of America is a central force in the maintenance and development of the democratic free society. Second, we are necessarily a major source of aid in the recovery of the nations still burdened by the social and economic dislocations of a destructive depression and the world's worst war. Third, the peoples in the underdeveloped areas of the world look to us for economic assistance and counsel in bettering their living conditions. Fourth, in the normal trading of the world, we now constitute the largest factor.

The health and growth of the American economy have extraordinary significance in these conditions.

Can the American economy carry the load? Can it continue its dynamic growth, improving living standards throughout our own nation, and contributing to their betterment elsewhere? Can extreme swings in the economy — the boom and bust — be eliminated?

The work of the past eight years has

strengthened the conviction of CED that these goals are within the nation's capacity. Continued close study of the economy is vitally needed, for it is no simple or static mechanism. Equally necessary is a greater dissemination of the knowledge gained.

At this point someone may ask "what does CED do in addition to research applied to economic policies?"

CED is not an action group, yet it is engaged in an unusual cooperative educational system. It assists educational institutions, trade and professional associations, women's organizations and other community or business groups in developing plans and programs to stimulate thought and discussion of economic problems.

CED is working with more than 25 colleges and universities on projects designed to raise the level of economic understanding. A number of similar projects are under way or will soon be under way with other educational institutions. In addition, CED is cooperating in a summer workshop program devoted to improving the teaching of economics in secondary schools. More than 1,000 colleges and secondary schools have requested statements on national policy for use as texts and reference material. It would require a separate article to describe this program in detail.

We have learned one specific lesson during these years of pioneering. It is that a combination of educators, businessmen and other community leaders is able to accomplish a great deal more than any of them could as individuals or in isolated groups.

Analysis Helps Understanding

We believe that careful analysis of our type of economy, study of its strengths and weaknesses, will help people to understand why we have been healthy, why we have grown and why we must protect the institutions and freedoms which have made us great.

In closing, may I invite you all to join in the CED process of disseminating economic knowledge. In a world beset by violent self-interest, CED remains dedicated to the principle that our problems must and can be solved through informed and responsible action by — and in the interest of — all our people.

THE END

readers. They are helping to check the drift toward the Welfare State because they present the facts about free enterprise in terms of the employees own self-interest.

Industrial editors "talk American" to employees in the plants and to people outside the company in the plant community. Most company publications circulate externally as well as internally.

Editors also "talk" to management, to teenagers, to preachers — and to each other. They are doing an effective job of selling Americanism at the grass roots. Industrial journalism has come of age. It meets its responsibilities.

Contributions of the Industrial Press

From many and varied sources there comes now recognition of the important contributions of the corporate press.

The Chamber of Commerce of the United States issued a new 40-page, 8½ by 11, booklet in April, "How to Tell Your Business Story in Employee Publications." It is packed full of ideas and suggestions to help editors put their publication to more effective use in bringing about a better understanding of the American economic system. Reproduced are the best ideas of a score of leading employee publications.

The Chamber booklet presents an interesting summary of the objectives of a typical employee publication. They are: 1. Interpret company policies to employees. 2. Keep employees informed about new company plans and developments. 3. Promote employee cooperation and loyalty through better understanding of company problems. 4. Explain the financial structure and operation of the company. 5. Expose rumors that breed misunderstanding. 6. Nullify harmful propaganda from anti-business sources. 7. Promote an employee-company family concept of mutual aims and interests. 8. Build a favorable attitude toward the company on the part of the wives and children of employees. 9. Foster friendly press relations. 10. Build community goodwill for the company.

This is a program to link the employee to his job, his job to his company, his company to the industry, and the industry to our system of free competitive enterprise.

Editors are practical people. They are always prepared to defend their expenditures in terms of future profits for the

company. Management must be kept sold on the value of the employee publication. At the recent 4th Annual Short Course for Industrial Editors conducted by Oklahoma A. and M., the editors worked out a 20-point "plan of action" for strengthening the position of industrial publications. The 20 points are designed to help management in evaluating its investment in the industrial publication and increase the editor's capacity for service to his internal and external reading public. It is the most important promotional program in the history of industrial journalism. Copies may be secured by writing Clement E. Trout, Head, Department of Technical Journalism, Oklahoma A. and M., Stillwater, Oklahoma.

International Activity

The most recent activity of industrial editors was the international convention of the International Council of Industrial Editors in Pittsburgh, May 9-12.

The Council was organized in 1941 on a national basis and went international in 1946 when the Canadian Association of Personnel Publication Editors became affiliated. The Council has other overseas affiliated groups in Great Britain and Hawaii.

Under the active leadership of former President Herb Heil, the World Wide Committee of ICIE is now in touch with industrial editors in many other foreign countries and there are indications they will one day be affiliated with the Council.

Industrial editors are organized in Australia and doing a good job there. Company and employee publications are being published in Capetown, South Africa, the Netherlands West Indies, and recently in Western Germany. Editors hold annual conventions in France and attract fellow editors from Switzerland, Norway, and England.

A recent issue of an employee publication from India printed in English would sound familiar to readers of American plant publications. There were articles on the Community Chest, a new work agreement, some welfare notes, a discussion of price increases, and an editorial on "Steel in 1950."

Several good publications come out of South America.

But generally speaking these foreign versions of "the house magazine" sidestep controversial issues. They are not

doing the effective job that is being done in America. They contribute to employee morale and glorify the gossip column which has an entertainment value, but on the bigger job of helping to make a better world I am afraid they fail to deliver.

History of Company Publications

There is a splendid history of company publications in the book, *Your Public Relations*, edited by Glenn Griswold and Denny Griswold. It was written by Charles C. Mercer, former executive director of the International Council of Industrial Editors.

Mercer presents the company publication in its true light as a powerful tool of public relations; traces its history, growth and development, and indicates how to make it most effective.

He lists the *Lowell Offering* published in 1840 as the oldest known company publication in the United States. It was published by the Lowell Cotton Mills of Lowell, Mass. Ten others are listed as being started before 1900, several of which are still being printed today. Chief among them are the *NCR News* of the National Cash Register Company of Dayton, Ohio, and the *Pittsburgh Plate Glass* magazine, *Pittsburgh People*.

In a footnote to the article, Glenn Griswold wrote that a "function of growing importance is the use of the company publication to teach public relations to the rank and file of employees."

Industrial editors generally recognize this obligation to create goodwill for their company in any way, shape or form that they can. They are helping to make public relations representatives out of all employees by giving them the facts about the company. Knowledge comes before loyalty. That has been demonstrated in our company where we have not had a strike or labor dispute of any kind in over 17 years. Americans are natural born "boosters." If we give them the superlatives they will help us in the telling of the company story and the free enterprise story. Teamwork built America. Industrial journalism is helping the men and women of industry to turn in a better team job. The intangible forces of public relations are once again producing tangible results. It is just such things as this repeated over and over again that has built America and made it what it is today — the last best hope of free men everywhere.

THE END

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WRITER-EDITOR-PUBLICIST — Eight-year record includes: Washington agency PR executive and magazine correspondent, "Detroit Times" reporter-rewrite, UP correspondent in Chicago, Indianapolis. MS in Journalism, Northwestern. Now Ohio newspaper assistant city editor. Resume on request. Box H-16.

EXPERIENCED PR EXEC., WRITER. Now in third year as senior PR staff writer large corp. M.A. degree plus in economics. Insatiable student social sciences, public relations. Weekly and metro. newspaper. Univ. teaching experience. Vet. Married. Personable. 33. Looking for more responsibility, \$9,000. Box K-6.

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PUBLIC RELATIONS EXECUTIVE — TRADE ASSOCIATION SECRETARY — FUND RAISING DIRECTOR. Background of executive and administrative experience, sales, sales management, statistics, personnel management. Box M-6.

USE OF LOCAL HISTORY — Continued

of each community. The books are the result of original research. In addition to our own records, hitherto untapped source material was used, material from the records of the United States Land Commission and the early District Courts. The tie-in with our own business is made plain in a foreword signed by the president. All this material, when put into convenient booklet form — usually with a map of the original rancho boundaries in the center — is a definite contribution to local history and to the community whose story it tells. Schools recognize it as such, as do chambers of commerce and civic groups in the areas covered. Probably several hundred thousand of these booklets have been distributed and are being distributed.

In addition, we publish one booklet and a separate map devoted entirely to the ranchos of Los Angeles — two items that are perennially in demand. As a special favor to public institutions, we sometimes prepare a chain of title on parchment with color decorations. The chain begins with the King of Spain and comes down to the present owner — perhaps the City of Arcadia. Such a chain of title now hangs in the Arcadia City Hall and a copy in the Arcadia Public Library. There it forms an important part of a current exhibit devoted to centennial themes. These publications — booklets and maps and chains of title — are a "natural" for us, for our business is concerned with land and its ownership — local history if you please.

Supplementing this type of institutional promotion, a few years ago we purchased what was known as the C. C. Pierce collection of historical photographs. Some of you may have known C. C. Pierce, the pioneer photographer who died in 1946. He had come to Los Angeles in 1886 and as a young photographer started shooting pictures of the downtown and the plaza areas. He kept up this habit and collected pictures of other photographers, some of a much earlier date, so in time he came to be the great authority on early southern Cali-

fornia photographs and to have the finest collection.

In buying this collection we had in mind making it available to the general public in whatever way seemed best. This is being carried out today. Newspapers, magazines and schools have made immediate and continuous use of the prints which we furnish without cost but for which we ask that credit be given.

The writers of books on various phases of history call upon us for help. Lucius Beebe, for example, came to us and drew heavily upon our collection for early Nevada pictures to be used in his colorful Wells-Fargo book. So did Oscar Lewis for his recently published *California Heritage*. As in the case of the booklets which we distribute so widely in the schools of the Los Angeles area through prints from our picture collection we directly tie ourselves in with the educational program of schools which have come to lean on us for general and individual help.

Daily we are showered with letters from teachers and pupils seeking assistance on early California matters. And it doesn't worry us a bit if a letter comes in from a nine-year-old child who closes a request with "Your prompt attention to this matter will be greatly appreciated."

There is a terrific rash, at present, of putting up plaques commemorating this or that historical event, and our company is continually called upon to verify or furnish historical data for such purposes. And the writing of historical or geographical thesis continues unabated — with many a student wending his way toward 433 South Spring Street, Los Angeles, for assistance.

Local history is something to get excited about anywhere. That is especially true in the Los Angeles area where everybody is from somewhere else and where the standard first remark on meeting a person is "Where you from?" People eat up local history here. That is why its use in institutional advertising can do an effective job.

PR PEOPLE

● Follow the PR JOURNAL classified section
for personnel possibilities. ●

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